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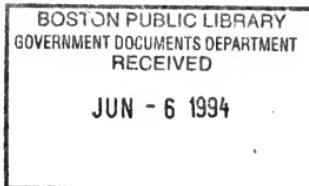
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FINAL PLANS OF GOVERNMENT CENTER URBAN  
RENEWAL PROJECT

Before committee on Urban Redevelopment,  
Rehabilitation and Renewal.

July 9, 1963

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Elvira Johnson, SHORTHAND REPORTER  
50 STATE STREET  
BOSTON, MASSACHUSETTS  
TELEPHONE: LA 3-2394



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VOLUME III

FINAL PLANS OF GOVERNMENT CENTER URBAN RENEWAL PROJECT

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City Council Chamber,  
City Hall,  
Boston, Massachusetts.  
Tuesday, July 9, 1963.  
2:00 P.M.

CONTINUED HEARING before the Committee on Urban Redevelopment, Rehabilitation and Renewal of the Boston City Council, City Council Chamber, City Hall, Boston, Massachusetts, on final plans of the Government Center Urban Renewal Project.

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Presiding: Councillor McDonough, Chairman.

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Chairman McDONOUGH. The Committee will be in order. There is a gentleman who sat patiently through two prior hearings and who is anxious to be heard. I told him we might hear from him at this time. His testimony won't concern the 10 State Street Corporation, but, as I have said, he has waited patiently to be heard.

Mr. Myers.

SAMUEL A. MYERS

Councillor PIEMONTE. Mr. Chairman, in view of the action of the City Council by which they adopted the resolve I filed yesterday inviting the representative of Cabot, Cabot & Forbes and the Merchants National Bank, may I suggest that you consider the advisability of asking whether either of their representatives are here? We might first want to put in the record whether or not notice has been served or delivered to the Merchants National Bank and Cabot, Cabot & Forbes.

Chairman McDONOUGH. Let me put the question to the City Messenger. Was the resolve asking the representatives of Cabot, Cabot & Forbes and Merchants National Bank served?

Mr. O'DONNELL. William O'Donnell, the City Messenger; yes, sir.

Chairman McDONOUGH. Did the City Messenger notify Cabot, Cabot & Forbes and Merchants National Bank



to have a representative here for today's meeting?

Mr. O'DONNELL. They went down by special messenger yesterday afternoon.

Chairman McDONOUGH. Are there representatives of those two institutions here today?

Mr. BRADLEY. Yes, there are. Mr. Chapman and Mr. Meyer are here representing the Merchants National Bank, and David Bradley representing Cabot, Cabot & Forbes.

Chairman McDONOUGH. Mr. Logue, just before you came in, I called Mr. Myers, who has some information concerning the project which does not deal directly, at least, with the question of the Merchants National Bank and 10 State Street. He sat through the prior hearings patiently, so we might hear now from Mr. Myers.

Will you identify yourself for the record, Mr. Myers?

Mr. MYERS. Samuel A. Myers. I represent the New England Cut Stone Company at 170 Granite Avenue, Dorchester.

The subject I want to talk on, I believe, is very important to every citizen not only of Boston but the State and possibly the entire Nation.

About a year and a half ago, I was asked to come to an office of an architect, Pederson & Tilney, on Newbury



Street. At that time they wanted information as to what I could tell them --

Chairman McDONOUGH. Mr. Myers, there seems to be some question among the members of the Committee whether the testimony will deal with the Government Center.

Mr. MYERS. This is all with the Government Center, all of it.

Pederson & Tilney wanted information on what I could tell about laminated limestone. I told them I never heard of laminated limestone in all the years I have been in business, and I have been at it 53 years.

I said, "What do you want laminated limestone for?"

He said, "We would like to get two-inch limestone bonded with four, five, or six inches of insulated material to form lightweight construction."

I said, "I never heard of it, never read about it, but I will find out. When I get back to the office, I will call Indiana, and whatever information I get I will pass it on to you."

Chairman McDONOUGH. For the record, with whom were you talking?

Mr. MYERS. At the office of Pederson & Tilney a gentleman by the name of Painter, a young man in his 30's.



Chairman McDONOUGH. How did you come to be talking to him?

Mr. MYERS. He called my office, he wanted certain information and I said I would be happy to.

Councillor TIERNEY. What was the fellow's name you were talking to?

Mr. MYERS. Mr. Painter at Pederson & Tilney's office.

Chairman McDONOUGH. You are in the cut stone business?

Mr. MYERS. Natural stone, right, what they called precast concrete --

Councillor TIERNEY. Did he tell you what he wanted to talk to you about?

Mr. MYERS. When I was in his office, yes.

Chairman McDONOUGH. Before you came to his office?

Mr. MYERS. Before I came to his office, yes, he called me and wanted to know if I would be good enough to come in, he wanted information.

Chairman McDONOUGH. Did he tell you what kind of information he wanted?

Mr. MYERS. Not at that time, not till I got to the office he told me what he wanted.



Chairman McDONOUGH. When you got to the office what did he tell you?

Mr. MYERS. He says they are making a study of the materials to be used in the Government Center and they want all the buildings to look similar, they want the material to be similar in appearance.

Chairman McDONOUGH. Who was making this study?

Mr. MYERS. This office of Pederson & Tilney.

How they got there, I don't know. He said they were selected by somebody but he didn't give me that information.

Chairman McDONOUGH. Just so everyone in the room understands what your story is thus far, you were called by Mr. Painter from the office of Pederson & Tilney, and they asked you as an expert in the business of natural stone construction to come in and give them some advice as to what might be a proper material for use in the buildings in the Government Center?

Mr. MYERS. That is right, they were making a study of it at that time when he threw at me this laminated limestone.

When I got back to my office --

Chairman McDONOUGH. How did the question of laminated limestone get into the conversation?

Mr. MYERS. When I got into his office, I asked



him, "What can I do for you?"

And he says, "I would like for you to tell me what you know about laminated limestone."

At that time, I told him I never heard of the expression, never read it, never had seen it.

I said, "What is it?"

He says he is trying to create lightweight construction and wants to know whether he can get a two-inch thick limestone, a limestone about two inches thick bonded with some kind of insulation material, four, five, or six inches. That was his purpose.

Chairman McDONOUGH. That was Mr. Painter?

Mr. MYERS. That was Mr. Painter, right.

Chairman McDONOUGH. What did you tell him?

Mr. MYERS. I told him when I would get back to the office I would call Indiana, call the Indiana Limestone Institute. Never had heard of it or know about it. I would let him know. I did that, and they said, No, they never heard of it, never had that experience.

Chairman McDONOUGH. Indiana Limestone never heard of laminated limestone?

Mr. MYERS. That is right.

Chairman McDONOUGH. You gave this information to Mr. Painter?



Mr. MYERS. I did.

Chairman McDONOUGH. Then what happened?

Mr. MYERS. I called the Institute and I told them what was going on, and I told him, "There's a series of buildings involving several million dollars," if they were interested.

He wanted to know if I wanted a promotional man or a technical man.

"This is a technical question. I can't answer it because I never ran across it before. I want a technical man."

They sent a man at their own expense.

Chairman McDONOUGH. Who did?

Mr. MYERS. The Institute, at a cost of two or three hundred dollars. The Institute sent this man at their expense and told him where to go and who to see.

Chairman McDONOUGH. Just so we will all know who you told to go where, you told the man from Indiana Limestone Institute to go to see Mr. Painter?

Mr. MYERS. Right.

Chairman McDONOUGH. What was the name of the man, if you remember?

Mr. MYERS. I don't remember. I have it at the office. I don't remember. It is a peculiar name.



He started out from Indiana to come to Boston on this particular day I made the appointment for him. In some way he got grounded between Indianapolis and Boston. I had an appointment at Providence, so I waited until quarter past ten and I didn't hear from him, I didn't know whether he was still in Indiana, Boston, or where he was.

About fifteen minutes after I left the office, I got a call he checked into the Parker House -- I made reservations for him at the Parker House, and he checked in.

He knew where to go and who to see, so he went directly and saw Mr. Painter, and he spent a half a day there with Mr. Painter and gave him a lot of information.

I called when I got back home from Providence, I called my office and they told me about fifteen minutes after I left for Providence this gentleman came in, and he went direct to the architect's office and was going to see this Mr. Painter.

Two or three days later I went in to see this Mr. Painter and I says, "What happened?"

He says, "Mr. So-and-so was in," he says, "he was very, very helpful. I appreciate him coming in."

I says, "Well, have you come to any conclusion?"

And he says, "Well," he says, "Well, I am leaning towards brick."



"Nothing wrong with brick. I can't say nothing against it."

At that time, I left, and he says, "It is still under study."

I came along a few days later and he says, "This is a complicated situation because we have got the Federal Government, we have the State government, and the City government --"

Chairman McDONOUGH. Let me see if we can shortcut this a bit, Mr. Myers. As far as you know, at that time they decided to use laminated limestone in the Government Center?

Mr. MYERS. No. They selected precast concrete.

Chairman McDONOUGH. And you didn't like this choice; is that it?

Mr. MYERS. Absolutely no, from past experience.

Here are photographs that you gentlemen want to look over of three buildings that used precast concrete. One is the Registry Building, the other the Dorchester Court House, and the third is Boston City Hospital.

Chairman McDONOUGH. What kind of facade has been selected?

Mr. MYERS. I beg your pardon?

Chairman McDONOUGH. What kind of facade has been



selected for the buildings in the Government Center?

Mr. MYERS. Precast concrete.

Chairman McDONOUGH. Is it this precast concrete isn't sufficiently durable for buildings of this type?

Mr. MYERS. Exactly, in my opinion, after 53 years in this business, I know what I am talking about.

Councillor SULLIVAN. Mr. Myers, are you talking about the new City Hall?

Mr. MYERS. I am talking about all the buildings. At the present time, you see, the only plans that have come out is the Federal Office Building, which took place yesterday.

Councillor SULLIVAN. Certainly you are aware the question of the construction of that is not under the control of the City Council but, rather, the General Services Administration in Washington?

Mr. MYERS. I know all that.

Councillor SULLIVAN. And the Federal Government?

Mr. MYERS. I know all that. I will give you a lot of detail and I will tell you about a lot of work I put in there for the last three months.

Councillor SULLIVAN. I wonder if you would do the Council a favor and make your presentation more meaningful to us by reducing your basic argument to writing?



Councillor SULLIVAN. — Yes.

Mr. MYERS. — No, I cannot bring it out in writing.

Councillor SULLIVAN. — I am not so sure it is being developed so clearly, as it is on that this is even the proper place to develop the specific detail.

Mr. MYERS. — I feel that it is, Councillor. — I feel it is for this reason, —

Councillor SULLIVAN. — I am going to suggest to the Chairman perhaps it is not.

Mr. MYERS. — Yes.

Councillor HERMNEY. — Mr. Chairman, I am very anxious to hear Mr. Myers and what he has to say.

Mr. MYERS. — I tell you what I am going to do, gentlemen. I am going to make it brief. I am not going to tell you what I have gone through the last three months, because I have a letter here that I want to read, three lengthy letters, so bear with me. This will give you an idea about the drift of what I am talking about.

Councillor PIEMONTE. — Mr. Myers, may I suggest the Council, as far as I am concerned, has always been willing to give all the time necessary to hear anyone who has something to offer pertinent to the matter under discussion. The matter under discussion is the Government Center,



whether or not we approve the enlarged taking, exactly that is what it narrowed down to, 10 and 30 or 40 State Street, I don't know the exact numbers.

If in connection with that you have something pertinent, could you tell us in a few words? Take all the time you need to develop it, if you feel it is pertinent.

Mr. MYERS. If you will bear with me about ten minutes, it will take me about ten minutes to read these letters. That will give you all the information. I am not going to tell you what I have gone through in the last three months.

This is a letter from the Speaker of the House, Honorable John M. McCormack. He says:

"Dear Mr. Myers:

"With further reference to our recent correspondence, I am enclosing for your information a self-explanatory letter, with enclosures, I have received from Administrator Boutin of the General Services Administration. I hope the within information will be helpful to you."

This is from the General Services Administration to myself:

"Dear Mr. Myers:

"Your letter to the President --"

I have gone as far as writing the President, he



being a Bostonian, I thought he would take an interest. I didn't expect him to take an interest personally, but through his secretary and as well as correspondence to the GSA. It is a commodity very few people know about, but it is very vital.

"Your letter to the President regarding the facing material specified for the Boston Federal Office Building has been referred to General Services Administration. We have also received communications from others to whom you have written on this subject and we have given careful consideration to the statements made by you and by others in your interest.

"The question involved is not just the comparison of one material with another."

They have been arguing back and forth, concrete, improved cement was ideal, it would stand up.

"Rather, it concerns the basic design concept of the joint-venture architects for this project."

Therefore, in other words, they don't care about quality, they are looking for design, they are going to come along and sacrifice quality against design.

"Rather, it concerns the basic design concept of the joint-venture architects for this project. The conception of large precast concrete panels with integral



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window openings, sills and millions could only be realized with concrete and not with stone. To use stone as a facing material for this structure would require an entirely different architectural design and structural support method, and could not produce the architectural character envisioned by the designers."

They come along and they have protruding around each window a ledge nine inches, which is a beautiful resting place for pigeons, beautiful.

"We do not agree with your statement in letter to the Honorable John W. McCormack that concrete is concrete regardless of the aggregate used when mixed with cement. Although cement is basic to all concretes, the quality, size, grading and proportion of the sand and gravel, as well as the quantity of water, play an important part in the strength, durability and watertightness of the concrete. In addition, proper vibration of the concrete mass as well as proper curing after placing, are necessary factors to good concrete. If high quality concrete is attainable on the job for the basic structure, as it is, it is even more attainable in the factory making precast architectural units where quality control can be more exacting. Here the ingredients are scientifically selected, proportioned and mixed, and



and galvanized reinforcing steel is accurately placed. The facing aggregates of the kind and size desired by the architect, form an integral mass with the light-weight concrete backing. Every member is thoroughly cured under controlled temperature-humidity conditions."

In other words, I am going to stop here for a minute. Can you visualize a four-inch thick stone, four inches thick, and no backing of any kind, but fastened to each floor, to the concrete beam with bolts and strap anchors. Further on I will elaborate on the expansion and construction to show you what is going to happen to these buildings.

"The result is a facing element of high quality and precision with all fastening members built in, ready for hoisting and attachment to the structural frame.

"Precast architectural concrete produced today is therefore a vastly improved product. If it took 20 years to show defects in concrete stone of an earlier period we have observed many cases of cracked and spalled natural stone in numerous buildings both private and government which have developed in a shorter period. Such failures are not always due to lack of quality of the stone. Temperature stresses in the building as



well as inferior setting and anchoring of the stone are often responsible. In the case of the Boston project, the large sections of precast concrete, separated by flexible joints, will reduce temperature stresses, and the heavy adjustable anchors embedded in the concrete will guarantee accurate and solid positioning of the members. In addition, the rubber-type sealants used today for caulking joints far surpass in flexibility, lasting quality, and effectiveness, the oil-type caulking compounds of former years."

In other words, they refer to the ? which has proven not to be what it is supposed to be.

"The general type of construction of this building, which is basically of precast insulated concrete panels, is not a new departure. It has been in use for a number of years."

They are on the market five years. It has not come along --

Chairman McDONOUGH. Mr. Myers, we can make these letters you read a part of the record, and perhaps we can get down to the core of your objection quicker by directing some questions from the Committee to you, and if you would be kind enough to answer the questions, maybe we can get through this matter a little bit faster. If you



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will agree, we will dispense with the reading of the letters but make them a part of the record and let the members of the Committee direct some questions to you, directing them to your complaint.

Councillor PIEMONTE. As Councillor Tierney has very well brought out, the subject matter before us is the Government Center.

Chairman McDONOUGH. Let me say this, Mr. Myers, will you give the letters to the stenographer and she will make them a part of the record?

"It has the great advantage of lightness, reducing the loads on the structural frame and foundations with consequent saving in cost. The thermal resistance of the insulated precast wall is greater than that of a 12-inch thick masonry wall, and the saving in space around the perimeter of the building is substantial, adding to the available floor space. The maintenance factor will be negligible.

"Bids for the construction of the building were opened May 14. Contract for construction was awarded on June 17. At this stage any change in the exterior design to accommodate limestone would cause a long delay in construction. It would involve a basic change in the architectural concept of the building.



even necessitating changes in the supporting structure to carry the increased load. The facade would be reduced to a flat uninteresting envelope, as limestone could not conceivably be used to carry out the scale and texture of the present distinctive design. Redesigning would be costly both in time and money, and instead of saving several hundred thousands of dollars, as you claim, the cost of the building would be greatly increased. It has been our experience that limestone is more expensive than precast concrete. One of the reasons for the development of precast architectural concrete stemmed from the need of finding a less costly facing material than natural stone.

"We have not neglected stone in the design of this building. Considerable quantities of granite are used for the facing of the lower portions of the building where it fits in with the architectural concept. Our architects have employed other materials where their use would be both functional and esthetic.

"Technical progress during the past two decades has produced many new materials for the building industry and brought about radical changes in construction methods. American architects and engineers have availed themselves of this progress and have evolved



new design and structural concepts which are a credit to this country. We feel that the Federal Government should be a party to this progress by encouraging the use of new materials and contemporary architectural concepts. In the field of design we must rely heavily on the architect's judgment and experience not only in the design itself but also in the selection of materials and equipment. We feel sure that the building as designed, will be a credit to the City of Boston and to the Federal Government.

"Our Assistant Commissioner for Design and Construction recently appointed from Wisconsin, where he was the State Architect, has had considerable experience with precast, exposed aggregate. He reports most satisfying experiences in a northern climate which, at times, is more severe than in Boston.

"You might be interested to know that the proposed Boston City Hall, across Scollay Square, will contain a great deal of precast concrete in its structure.

"Sincerely yours,

"R. T. Daly  
Commissioner  
Public Buildings Service."



"July 5th, 1963.

"Mr. R. T. Daly  
Commissioner, Public Buildings Service  
General Services Administration  
Washington 25, D. C.

"Dear Mr. Daly:

"This is written to acknowledge receipt of your letter dated June 20, 1963, the contents of which were read with much interest. There has been considerable correspondence between the writer, other interested parties and the G.S.A. on this same subject.

"Your reference to the basic materials and methods used in the new type of precast concrete is correct. However, for this material to prove itself worthy of all its claims, sufficient time must pass. Our objections to this product are based on previous experience where only 20 years had passed before failing began to show externally. We further agree that there are all kinds of concrete, but it is our opinion that 'concrete is concrete.'

"Oddly enough, the weathering of concrete has little to do with the "quality, size, grading and proportion of the sand and gravel, as well as the quantity of water" and other factors to which you point with accuracy. While no one could deny the effect upon weathering, the simple fact is: the real



cause for the wide difference in the weathering qualities of concrete vs. Indiana Limestone is the wide divergence in the expansion of the materials. Concrete expands at almost three times the rate of Indiana Limestone. One can determine in advance the amount of expansion and shrinkage of a large precast panel --- and with no small amount of shock. Indeterminable in advance is the shrinkage of the most carefully cured precast product when the moisture leaves the concrete while hanging in place. So, regardless of the "improved precast architectural product of today" referred to in your letter, man has not yet improved upon Nature. As even the small schoolboy who understands the reason for the expansion joints in sidewalks knows, anything that expands and contracts at the rate of concrete will crack, craze, erode and disintegrate. Buildings 150 years old and more stand as mute testimony to the superiority of this product of Nature, for these Indiana Limestone buildings have not required any maintenance or replacement of stone in all of these years.

"We disagree that modern flexible joints overcame this serious defect in precast concrete. The trade press is filled with complaints from



Architects, building managers, real estate firms, owners and others over the problems created by the "open joint." Too numerous to list here, they cover heating, air conditioning, drafts, ventilation and kindred objections. We quote the senior editor of a well known building materials publication, "it would seem we have completed the cycle and are about to get away from --- the concern about 'the joint,' a concern that indicates these new materials haven't been the perfect, wonderful 1963 building materials they are purported to be. It is my opinion, yes, I must confess, I believe we are about to return to the maturity, the permanence and the textures of sound architecture and materials, the best of which Indiana Limestone certainly represents." The editor, also a registered Architect, said, "I have a good deal of enthusiasm and architectural respect for the possibilities of limestone as the building material of the future."

"The list of projects where precast concrete (Mo-Sai) has been used was read and several of the locations were visited. We found that on buildings erected within the past 5 years, the precast concrete is stained, out of line and the return heads are out of square. This is caused by being a moulded product



and cannot be otherwise. There is also evidence of how the reinforcing rods have been exposed on the finish surface and have come through the back surfaces of some panels. Cracks are also quite evident and the panels are being held together only by embedded wire mesh.

"With reference to the design concept for the Federal Office Building, a similar architectural effect could be obtained with natural limestone. The detailing of the jointing is a small matter, as it is done almost daily, without considerable loss of time or added expense. Your remark that 'the facade would be reduced to a flat uninteresting envelope with the use of natural stone' is completely unjustified. There are many structures faced completely with natural stone that employ the so-called contemporary architectural designs. On this particular project, the design allows convenient roosting places for pigeons. The damage and staining that these birds can cause is known by all Bostonians. The parties responsible for this design have never used either precast concrete or limestone to any extent and therefore it is our contention that they are unfamiliar with both.

"It has been our experience, in comparing the



basic cost of these two materials, that precast concrete averages at least 50% more expensive than limestone. We base our comparison on the many alternate prices we have been asked to submit for substituting limestone for precast concrete. We cite studies made by Voorhees, Walker, Smith, Smith and Haines, New York City Architects, by Turner Construction Company, and by others, satisfactorily proving Indiana Limestone to be among the lower cost building materials.

"Above and beyond all, in the consideration of cost, is the proved weathering qualities of Indiana Limestone, as opposed to the proved lesser weathering qualities of existing precast concrete and other building materials and as opposed to the unknown and unproved weathering of the "new" precast concrete products. The U.S. Bureau of Standards, in a test conducted some years ago, subjected Indiana Limestone to a withering 3,000 freeze-thaw cycle accelerated weathering test, with only a few samples of low compressive strength failing to last the full 3,000 cycles. In a report on this test, the statement was made 'there are many factors entering into weathering which cannot be singled out as absolute causes of good or bad performance, and probably the only



reliable basis for judgment of weathering quality is the test of real exposure in buildings over a long period of time."

"Dr. Oliver Bowles, chief federal geologist, has stated that, in his opinion, 'Indiana Limestone probably wears at the rate of two-fifths of one inch in a 100 year period.' We estimate that Indiana Limestone has been 'tested by Nature' in many State Capitol buildings, in Federal Government buildings in Washington, D. C., and many privately owned buildings throughout the nation.

"Let it not be said that we are against new designs and products, our only question is practicability. We feel that the specified material and design of this project would be satisfactory in a more tropical climate, but not in the New England area. Our weather pattern contains such a drastic temperature change, causing much expansion and contraction of all materials. The Northeast storms that we have experienced in the past and are sure to have in the future, with their driving rains, will eventually erode this precast material and come in contact with the reinforcing, causing it to corrode.

"Another doubt in my mind is the 4" curtain



wall design. Will this be sufficient to prevent seepage? Is it as practical as a 12" masonry wall, that is, 4" of limestone backed with 8" masonry block? In a statement made by a prominent structural engineer in Boston, he mentioned that "the bearing wall which served well in the past is bound to reappear." A careful observation of the multi-story buildings built in the last 5 years, will have noticed a change in the structure of exterior walls. Perhaps the most valuable result of reconsidering the structural function of exterior walls, will be the restoration of their role as bracing elements for wind and earthquake in tall buildings.

"With the Federal Office Building, the four State Office Buildings, the new City Hall and the other private construction proposed for the Government Center amounting in excess of 200 million dollars, how can we afford to speculate on new unproven material and construction. It is inconceivable to me that anyone would want to risk the taxpayers' dollar in this manner.

"In spite of all the foregoing facts, and many more that I can cite, the responsibility is in your hands. The decision is yours, since you hold all the trump cards, and if you proceed with the



present construction plans, it will be a very sad day for the City of Boston and the Commonwealth of Massachusetts.

"There is nothing personal about my writing these letters, nor do I expect to profit monetarily if the design were changed. I am only a civic-minded citizen looking out for my fellow taxpayer's dollar.

"Very truly yours,

"New England Cut Stone Co., Inc.

by

Samuel A. Myers."

Councillor PIEMONTE. Are you inferring that somebody in behalf of the Authority or in behalf of the Administration suggested or by some means communicated with you or your representative that the materials to be used in the Government Center were to be of a certain quality or certain material?

Mr. MYERS. I say any buildings of this nature --

Councillor PIEMONTE. Mr. Myers, we will listen, if you want, to the merits of limestone, and I have some personal opinion myself, but what I am interested in right now is whether or not you are contributing anything to the hearing, and at this point we are concerned with the Government Center and not the merits of precast concrete



or limestone.

Mr. MYERS. This is the Government Center, Councillor, this is the Government Center. All the materials selected are going to be identical. I have not seen the plans --

Councillor PIEMONTE. That is not my understanding.

Mr. MYERS. Yes.

Councillor PIEMONTE. That is not my understanding, and unless you can show me I am wrong, I suggest that you take time out with your counsel, if you have one, to go over with the Authority or somebody in behalf of the Authority or the Administration, whether your understanding is correct.

Mr. MYERS. I have been trying to get information --

Councillor PIEMONTE. We can ask that right now, Mr. Chairman, with your permission.

Mr. Logue or somebody from the Authority, is there some regulation, some rule, or even understanding that all the materials to be used in the buildings of the Government Center are to be of precast stone or any one particular material?



EDWARD J. LOGUE,  
Development Administrator

Mr. LOGUE. No, sir. This building (indicating) is brick and concrete. This building (indicating) is the same material as the Pan-American Building in New York City, called Mo-Sai, which is precast stone aggregate.

This building (indicating) has not yet been designed, the garage, undoubtedly reinforced concrete.

Chairman McDONOUGH. Will you identify the buildings?

Mr. LOGUE. Excuse me.

Councillor PIEMONTE. Your answer is No. Don't you fall in the same category as he did.

Mr. LOGUE. The answer is No.

Councillor PIEMONTE. Is there anything in your present procedure or in the contemplated procedure by which you would compel any prospective developer to use a certain type of material?

Mr. LOGUE. No.

Councillor PIEMONTE. The answer is No.

Mr. Myers, I should think that would satisfy you. If you have prospective customers who want to build, for the record, they are not precluded by what someone may have told you. It might have been gossip.

Mr. MYERS. This is not gossip. If you want



proof, I will take you out and show you the buildings put up in the last five years in this so-called precast concrete, Mo-Sai. I will match my time against yours.

Councillor PIEMONTE. Right now I am in the midst of doing something in my private life, I am talking to somebody about samples. We are not talking of the merits of one over another but whether or not in the Government Center any developer or future developer will be compelled to use any one type of material, and the answer is No.

Mr. MYERS. I am not satisfied with that.

Chairman McDONOUGH. With what part of the answer are you not satisfied?

Mr. MYERS. It has not been investigated, because precast concrete ---

Chairman McDONOUGH. To which buildings do you refer? Maybe we can do it this way.

Mr. MYERS. They gave me a list of the buildings here, a three-page list.

Councillor IANNELLA. Who is "they"?

Mr. MYERS. The GSA, using precast material.

Chairman McDONOUGH. We are talking about buildings like the new City Hall; what do you know about that?

Mr. MYERS. I was told they were going to use



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precast concrete. I have not seen the plans, I don't know.

Chairman McDONOUGH. If Mr. Logue answers you for the record, will you accept his answer?

Mr. MYERS. That is not going to produce the results.

Chairman McDONOUGH. Let us hear the answer.

Mr. Myers says the new City Hall is going to be faced with precast concrete. Is it, Mr. Logue?

Mr. LOGUE. Mr. Chairman, part of the building will be faced with precast concrete and part will be brick.

Chairman McDONOUGH. How much will be, the new City Hall, now?

Mr. . . MYERS. I have not seen the plans. I can't discuss it with you. I have not the plans on it. The only plans available is the ones of the Federal Office Building, that is the only plans that have been out.

Chairman McDONOUGH. The answer to my question is, part of the new City Hall is going to be faced with precast concrete. How much of it?

Mr. LOGUE. I would say 85 per cent.

Mr. MYERS. Precast concrete.

Chairman McDONOUGH. How about the Federal Building?



Mr. LOGUE. I believe it is 100 per cent Mo-Sad.

Mr. MYERS. Correct. I agree with that.

Chairman McDONOUGH. Is that precast concrete?

Mr. MYERS. Right.

Chairman McDONOUGH. Mo-Sad is precast concrete, is that so?

Mr. LOGUE. It is not what is customarily thought of as precast concrete, Mr. Chairman.

Mr. MYERS. Mr. Chairman, if Mr. Logue understands construction, and this is not personal, pardon me, I would like to have him read these two letters, one from Daly, and this is my reply to him.

what  
Councillor PIEMONTE. Mr. Logue, has the Redevelopment Authority to do with the specs of the Government Center Building or the new City Hall, the specifications? In other words, did you or anyone in your behalf, and when I say you I mean the Authority, have anything to do with providing for precast concrete in the City Hall or the Federal Building?

Mr. LOGUE. The City Hall, as we all remember, the design was chosen --

Councillor PIEMONTE. The answer is No, Mr. Logue?

Mr. LOGUE. No. That is right.

Councillor PIEMONTE. Mr. Myers, I suggest that



you have a very good case in the interest of Boston tax-payers and the Federal Government taxpayers to open up to public exposure, so that the public might get interested and realize what you point out, but right now all we are concerned with is the Government Center, and the use of precast concrete or any other material is not within the province of the Boston Redevelopment Authority or, for that matter, the Boston City Council. This may not be the best time for you to spend all your efforts in giving us the benefit of your reasons.

Mr. MYERS. Mr. Councillor, I made a mistake when I did not follow it out a year ago, but at that time I dropped it for the simple reason there may have been a slip between the cup and the lip, I was told it was still under study, and when the plans came out for the Government Office Building, when I saw that, I said, "Oh, my God, I don't know what they are trying to do."

I don't know how much you know about the difference in stone. It is a commodity few people know. I don't anticipate you to pick up the ball and carry it, but I know something about it, and I know what the effects are going to be, and I don't like to see the taxpayers' money going down the drain.

When you take a 4-inch thick wall with expansion ---



Councillor PIEMONTE. I agree.

Mr. MYERS. Wait a while. There is an expansion, oftentimes greater in concrete than limestone, and what is going to happen when that expands?

Here is a new building, the Jewish Home on Centre Street, is it?

Councillor IANNELLA. Mr. Chairman, I raise a point of order to this line of interrogation or presentation.

Mr. MYERS. All right, presentation.

Councillor IANNELLA. Let us not pick on words.

Councillor PIEMONTE. We will pick on words, because that is what is wrong right now.

Councillor IANNELLA. I am not quarrelling with you, Councillor. I think you are probably more concerned with whether or not we have building codes in this City and certain requirements.

Mr. MYERS. Correct, I agree with you.

Councillor IANNELLA. This is not the function of this body.

Mr. MYERS. I agree with you.

Councillor IANNELLA. If we were to take the time to decide whether this particular material was adequate, every other industry would come in and this would tie up this Committee on extraneous matters which are not pertinent



to this controversy this afternoon.

Mr. MYERS. I don't know about this afternoon. I am talking about the Government Center.

Councillor IANNELLA. I tell you, as a citizen, I don't believe we have any rule before this body, this is my opinion as a member of this Committee, for the reasons I have indicated, because you are talking about matters that come within the purview of the codes, and they are codes with respect to construction, and we are not concerned with that, we are concerned with the problem of the Government Center, whether or not these final plans should be approved, no more, no less. Certainly we are not concerned about what type of wiring is to go in there, about what type of plumbing is to go in there. This is not within the purview of discussion.

Mr. MYERS. Will you tell me where I can go to come along and put my claims in?

Councillor IANNELLA. It is not up to me to tell you that.

Mr. MYERS. I haven't left one door open. It is a commodity nobody knows anything about, very people know anything about, and as far as I am concerned, I am here to protect the taxpayers' money. If I didn't try to save every penny in my business, I wouldn't be there.



I don't need to come along and tell you there is to be a \$200 million investment that in five years these buildings will look worse than what you just tore down.

Councillor PIEMONTE. Mr. Myers, I might make the suggestion to you, I certainly am interested, and I am sure every member of the Council is interested, and as far as I know they are interested in the taxpayers saving money, but I think we can afford a separate hearing where you have the full attention of the public, because we do pay one-third of the building, and I think perhaps an order might be introduced or a resolve introduced in the Council that the Council hold a hearing open to anyone who might be interested to discuss the merits of one material over the other in the building of any structures which are to be paid for in whole or in part by public funds. I think that would be within the proper jurisdiction of the Council.

Mr. MYERS. That is all I have been trying to do, to put it before the Council, to put it before the proper authorities.

This is something, as I said before, very few people can pick up the ball and carry it, they know nothing about it, and I do, and that is why those buildings -- I would like to go into it, and I will match my time with any of you gentlemen.



Councillor PIEMONTE. I will give you my word, I will file the order at Monday's meeting. Whether it passes or not, I don't know.

Mr. MYERS. I would take you out and show you what I am claiming, and I know just what is going to happen.

Chairman McDONOUGH. Do you wish to be heard before this Plan is passed by the City Council?

Mr. MYERS. No, I won't say that. The only thing is, time is of the essence right now.

Councillor TIERNEY. Before you leave, I have a couple of questions I would like to ask you. Is the same firm manufacturing this precast concrete manufacturing this Mo-Sai?

Mr. MYERS. From what I know on this Federal Office Building, there are two concerns --

Councillor TIERNEY. Just answer my question. Is it the same? I understand there are only three firms in New England, one in Southern Massachusetts, one company in New Hampshire, and one in Virginia, in this certain type of concrete manufacturing business, in Washington Park, and I wonder if the same firms are involved in supplying the material in the Government Center or will be involved, Mr. Myers, and how many firms do you know of that would manufacture this prepressed concrete?



Mr. MYERS. Locally there is only one.

Councillor TIERNEY. Where is that?

Mr. MYERS. The Cambridge Cement Stone Company in Allston. I think two companies came in, one from New Jersey --

Councillor TIERNEY. There is one locally, and the other one not local. Where is the other firm located?

Mr. MYERS. One in New Jersey and, I believe, the other Connecticut. I am not sure.

Councillor TIERNEY. In other words, there are three firms to do this type of work?

Mr. MYERS. There are others.

Councillor TIERNEY. Locally?

Mr. MYERS. No, not locally. The only one, Cambridge Cement Stone Company.

Councillor TIERNEY. Do you know any in Southern Massachusetts?

Mr. MYERS. They are opening up a new firm in Littleton or Acton.

Councillor TIERNEY. Is it the same firm that manufactures Mo-Sai that manufactures the prepressed concrete?

Mr. MYERS. I imagine so.

Councillor TIERNEY. Would you obtain the information? The Council would be more than happy when it



affords you the technical hearing.

Mr. MYERS. I would be happy to get the information.

Mr. LOGUE. The Washington Park material you referred to is Stancrete.

As far as I know, there is no connection between Stancrete or Mo-Sai involved.

Councillor TIERNEY. I never met Mr. Myers before, but I believe when he sat down he gave the impression he was frozen out, due to the prepressed concrete. I believe prepressed concrete had been selected for use in Washington Park. I think his talk would be germane to the Government Center.

I remembered you pointing out at a previous hearing about Washington Park there were only three firms, one in Southern New Hampshire and one in Massachusetts, --

Mr. LOGUE. This is totally different.

Councillor TIERNEY. That is what I want to find out from Mr. Myers. That is why I asked if these firms were a closed shop on this. That is the inference I have vivid to me by Mr. Myers.

Mr. LOGUE. I am sure I don't.

Mr. MYERS. No, pardon me, I don't intend that at all. I am pointing out the material as specified right



now is not going to stand up, it can't stand up, and has not stood up in buildings put up within the last five years. I will show you the photographs right now.

Councillor TIERNEY. The members of the City Council don't have technical knowledge.

Mr. MYERS. That is what I have to put up with, Councillor. I would like --

Councillor TIERNEY. Councillor Piemonte will file an order and Councillor McDonough will set up a hearing with competent personnel to evaluate your information.

Mr. MYERS. Fine. It boils down to an argument, a difference of opinion between the General Services Administration and myself. I have not had a chance to complete reading the correspondence. If you could read the correspondence, then you would see the difference.

Chairman McDONOUGH. I have some questions I have prepared on the general question of the Government Center of you, Mr. Logue. As a point of beginning, this probably involves indirectly at least the question raised by Mr. Myers' objection to the type of surface to be used in some of the buildings in the Government Center.

What, exactly, is the function and responsibility of the Boston Redevelopment Authority in the Government Center?



Mr. LOGUE. The Boston Redevelopment Authority is the agency with the appropriate approval required by law which acquires property and relocates or assists in the relocation of the occupants, demolishes the structures, and either itself or in cooperation with the Department of Public Works, lets contracts for site improvements and arranges for the disposition of land in the project area to qualified developers in connection with the requirements of the Urban Renewal Plan.

Chairman McDONOUGH. Basically, it seems to me the job of the Boston Redevelopment Authority, at least as far as the Government buildings in the Center are concerned, is one of coordinating of activities of the various Governmental agencies; is that so?

Mr. LOGUE. I would say, Councillor, there has been a great deal of cooperation.

Chairman McDONOUGH. Because the various Governmental agencies have the power to acquire land and they have the power to demolish properties and build buildings on it for public use.

Mr. LOGUE. Yes, but they don't have the power to make the plan. The Authority's --

Chairman McDONOUGH. They have the authority for themselves, and this plan would not necessarily be



coordinated with the other agencies working in the Government Center?

Mr. LOGUE. That is right.

Chairman McDONOUGH. To a great degree, the BRA's job is one of coordination?

Mr. LOGUE. Preparing the plan and then executing it and coordinating with people who have their own power of domain.

Chairman McDONOUGH. Would this type of coordination extend to the type of surface used and that will be used on the buildings?

Mr. LOGUE. We tried to get handsome buildings here and I think we have. We were not, happily, faced with a proposal from anybody to have a Park Avenue glass block house. I think we are not responsible for dictating the surface. In fact, each one of these buildings has a different surface.

Chairman McDONOUGH. What part, if any, did the BRA play in recommending surfaces for the buildings?

Mr. LOGUE. City Hall was chosen by competition. I think the answer is, none.

Chairman McDONOUGH. The winning model in the City Hall competition called for precast concrete surfacing on City Hall?

Mr. LOGUE. And its lower elements brick, a



brick plaza.

Chairman McDONOUGH. Other than coordinating, what does the BRA lend to this area that the various Governmental agencies themselves could not do?

Mr. LOGUE. Well, we prepare the plans which they could not do except individually. We coordinate the plans of one agency with those of another, so that they will fit together in a harmonious fashion.

We have had the benefit of the assistance of a Design Advisory Committee to help us do that.

We have undertaken the major responsibility of preparing property acquisition and relocation and demolition. We have sold the land or propose to sell the land at a writedown from its acquisition and demolition cost to the public agencies and thereby they benefit to that extent.

Chairman McDONOUGH. Are there any disagreements between the various agencies building in the Center at the present time?

Mr. LOGUE. I think things are reasonably harmonious at the present time, Councillor.

Chairman McDONOUGH. What do you mean, reasonably harmonious at the present time? Are there disagreements or that they are not in agreement with this plan?

Mr. LOGUE. I would like to answer that in a particular way. The Redevelopment Authority with the approval



of this body has sold this piece of land to the Federal Office Building.

Chairman McDONOUGH. In addition to pointing it out, will you name the parcel?

Mr. LOGUE. Parcel 5, the Federal Office Building site is sold.

Parcel 1 site for the State Service Center, a complex of buildings previously described, and we have entered into and we have approved a letter of intent from the State Government Center Commission which has all the terms and conditions of the disposition contract attached, and price of the land.

Councillor IANNELLA. Any tax money from this?

Mr. LOGUE. Yes, sir. This is the only public building from which we get tax money.

Councillor IANNELLA. For how long?

Mr. LOGUE. In perpetuity. We get what was paid there --

Chairman McDONOUGH. What do you mean?

Councillor IANNELLA. You get it on the basis of the former assessed valuation?

Mr. LOGUE. Yes, sir.

Councillor IANNELLA. As of the date of the taking by the City?

Mr. LOGUE. Yes, sir. It is an average, a three-



year average.

Councillor IANNELLA. Prior to the taking. I see. What about the Federal Building, do we get any tax money from them?

Mr. LOGUE. No, sir.

Councillor IANNELLA. While we are on the subject of money, do any of the contemplated new construction come within the Limited Dividend Law of 12L-A?

Chairman McDONOUGH. How did you get the floor?

Councillor IANNELLA. Excuse me.

Mr. LOGUE. No presently considered proposals contemplate the use of 12L-A.

Councillor IANNELLA. I will ask one more question and then give it back to the Chairman. Every single bit of new construction contemplated would be considered for tax purposes in the computation of the tax rate.

Mr. LOGUE. That is correct.

Chairman McDONOUGH. I think you were answering my question.

Mr. LOGUE. Yes, sir, I was.

Chairman McDONOUGH. I want to know what disagreements exist between the various agencies building in the Government Center.

Mr. LOGUE. At one time, going into the ancient



history of this project, the Federal Government or the General Services Administrator, the then General Services Administrator had so little confidence in this project or the city or whatever, I guess the project, they were unwilling to commit to do a building here unless there was a building placed right across the street on New Sudbury Street.

Councillor PIEMONTE. Mr. Chairman,

Chairman McDONOUGH. I want the answer to the question.

Councillor PIEMONTE. I think at the same time that he ought to answer the question without making statements which in any way reflect on the prior Administration or the prior Administrator, which, very frankly, I disagreed with.

I think he said something about, because the Federal Government had little confidence in the City, and that is not the case at all, and he knows it and you know it. We heard it as recently as yesterday when the dedication took place. I think he ought to confine remarks to the matter before us instead of trying to build a case for himself by tearing down any prior Administration or prior Administrator.

Chairman McDONOUGH. What tensions, if any,



currently exist between the agencies in the Government Center?

Mr. LOGUE. So far as the State Service Center is concerned, I am aware of none. We have letters of agreement and disposition contracts proposed with the State Government Center Commission, the Real Property Board, the Federal Government, the City Hall, and I think our problems are pretty well worked out.

Chairman McDONOUGH. Then the answer is, at the present time, all the agencies are happy with the way things are going in the Government Center?

Mr. LOGUE. Well, I am sure the City Hall Government Center Commission is cheering on the contractor doing the subway relocation, but I think they will make it on time.

Chairman McDONOUGH. I have heard some talk that there has been some error in computing or figuring the amount of stress, or whatever you might call it, that the new tunnel is capable of holding. Has there been some trouble with the new tunnel and, if so, is that going to delay the project?

Mr. LOGUE. No. There was a collapse of some kind of steel about a month ago that has been remedied. A few days were lost there.



There may be some change orders on some of the work. I think they want to change a platform, and I think some stairway they want reinforced a bit more, but these are all --

Chairman McDONOUGH. As I understand it, let me tell you what I hear and how much substance there is to it, or is not. I understand there was some error in the original design of the tunnel which will have to be corrected, and the redesign will involve some months' delay. Is there anything to that?

Mr. LOGUE. Mr. Riemer, the Project Director, tells me the original plans have been changed only in a most minor fashion. I am not aware of anything.

Chairman McDONOUGH. Mr. Riemer, is there anything wrong with the original design or was there anything wrong with the original design of the tunnel?

PETER RIEMER,  
Project Director

Mr. RIEMER. No, I am not aware of anything. Councillor McDonough. The change orders that have been made involved very minor changes. For example, in the excavation, I think around Scollay Square, they found some subsurface conditions that were not known that caused a change-over of about \$7,000 or so, but the plans as they



came off the drawing boards are essentially the same as being followed now.

Chairman McDONOUGH. There was a design problem to the extent of \$7,000 in what, the subsurface of the tunnel?

Mr. RIEMER. I think they found some conditions that they had to excavate, the MTA contractor had to excavate, they were not aware of at the time because they were dealing with plans that were quite old. I think the MTA would say, and I would agree, this is a normal part of the process that you cannot necessarily --

Chairman McDONOUGH. When did the original plans call for the completion of the tunnel?

Mr. RIEMER. The original plans called for, I believe, for completion of the work by February, 1964.

Chairman McDONOUGH. Will we meet that schedule?

Mr. RIEMER. I think it will be close. I don't know exactly whether it will meet it right on target.

Mr. LOGUE. Mr. Chairman, there was a delay through an unexpected subsurface condition in the State Office Building. Perhaps that is it.

Chairman McDONOUGH. The story I got concerns the tunnel. Does the start of City Hall depend upon the completion of the tunnel?

Mr. LOGUE. In part, but not entirely.



Chairman McDONOUGH. How much of the new City Hall will be above the tunnel, or will the entire tunnel run under the City Hall, the entire width of the tunnel?

Mr. LOGUE. It is a very minor portion.

Chairman McDONOUGH. How much of the width of the tunnel would go under the City Hall? Does the entire width of the tunnel pass under?

Mr. LOGUE. The entire width of the tunnel will pass under the northwest extremity, northwest corner of City Hall.

Chairman McDONOUGH. What is the width of the tunnel?

Mr. LOGUE. Something under 50 feet.

Chairman McDONOUGH. What is the length of the tunnel under the new City Hall?

Mr. LOGUE. I would say about 165 feet.

Chairman McDONOUGH. It is hoped this tunnel will be completed in February, 1964?

Mr. LOGUE. Councillor, the foundation columns of that will be put in right away or are already in place, and as I look at them, they are discernible, because they differ in appearance.

Chairman McDONOUGH. The City Hall foundation



columns?

Mr. LOGUE. The City Hall foundation columns are in place here, seven of them are in place.

Chairman McDONOUGH. Will it be possible to build that part of the City Hall over the tunnel prior to the completion of the tunnel?

Mr. LOGUE. That portion of City Hall would have to wait until that portion of the tunnel is done.

Councillor FOLEY. You will have to build it from the bottom up, after all.

Chairman McDONOUGH. Mr. Logue, do you anticipate starting work on City Hall, on that portion of City Hall which is not over the tunnel prior to the completion of the tunnel?

Mr. LOGUE. I think the City Hall Government Center Commission is prepared to advertise for bids on the foundation work in the next ten days.

Chairman McDONOUGH. The next ten days?

Mr. LOGUE. Yes, sir.

Chairman McDONOUGH. How long will it take to do the foundation work?

Mr. LOGUE. At least four months, five months.

Chairman McDONOUGH. You anticipate advertising for foundation work prior to the approval of the plan, if



necessary, prior to the approval of the plan by the City Council and the Federal people?

Mr. LOGUE. I think they are prepared to advertise it, yes, sir, and whether or not they would award it is another question, but I think they are prepared to go ahead and advertise.

Chairman McDONOUGH. Mr. Logue, are the plans complete for the new City Hall?

Mr. LOGUE. The foundation plans are. I believe the architects and engineers, Councillor, have finished the work on the foundation plans. I think they are now being checked by the Law Department.

Chairman McDONOUGH. Mr. Logue, I think part of the taking of 10 State Street and the Merchants Bank are based upon, I think it has already been testified to, that taking is based upon some work that was done by I. M. Pei for the Authority. Now, when did I. M. Pei complete their work for the Authority and when did they get the job and when substantially was the job done, and did they complete it?

Mr. LOGUE. Their responsibility, they got the job in January, 1961, and they completed, they turned in their report in June, 1961, and then there were continuing consultations with them after they turned in the report.



Chairman McDONOUGH. How much were they paid for their work?

Mr. LOGUE. \$61,000.

Chairman McDONOUGH. What in substance was their job?

Mr. LOGUE. To prepare a plan including a traffic plan, re-use plan, circulation plans, to prepare the elements of an Urban Renewal Plan.

Chairman McDONOUGH. For what? For the entire Government Center?

Mr. LOGUE. For the entire Government Center.

Chairman McDONOUGH. So that this plan, this entire plan is the work of I. M. Pei?

Mr. LOGUE. Well, it has been modified in several respects. At the time it was originally submitted, it was anticipated that a fire station would be placed at the corner of New Chardon and Merrimack Streets, and the National Board of Fire Underwriters discouraged the Fire Department from doing that, and they now contemplate doing it some place else, on Cambridge Street near Joy.

The Police Department was at one time interested in building a Police Headquarters, and the then Commissioner decided that he would prefer to stay where he is, so the Department stayed where it is.

The Pei Plan called for a plaza for City Hall



which emphasized grass. As you can see, this is a brick one.

There was a suggestion perhaps there ought to be a long, low building here (indicating), and that we worked out ...

Chairman McDONOUGH. Where?

Mr. LOGUE. That would go from the eastern edge of Washington Street down towards Faneuil Hall, and that proposal was one which we found to be infeasible.

Chairman McDONOUGH. Is that area now on this plan?

Mr. LOGUE. Yes, sir.

Chairman McDONOUGH. It has been changed?

Mr. LOGUE. A portion of it, yes.

Chairman McDONOUGH. What will that be used for now?

Mr. LOGUE. A portion of it would be used for this passover here, over New Congress Street, and a portion of it would be used for the Tower and the proposed rehabilitated structure on Parcel 14, this parking lot.

Councillor IANNELLA. On State Street?

Mr. LOGUE. Yes, sir.

Chairman McDONOUGH. \$81,000 they were paid?

Mr. LOGUE. I think they have been paid \$81,000 as of some time this winter.



Chairman McDONOUGH. Their job was to make the entire plan for the Government Center Project area?

Mr. LOGUE. Yes, sir.

Chairman McDONOUGH. Exclusive of what, of specific plans for developers?

Mr. LOGUE. Specific plans of developers.

Chairman McDONOUGH. The point I am trying to make is, How much of the plan within the City property in the Government Center is the work of I. M. Pei and how much would be done by the City itself and would be paid for by the City itself? First, City Hall?

Mr. LOGUE. We hope to have, the Hall would be paid for by the City Hall Government Center Commission, and we hope to have, we hope the Plaza area will be treated and recognized by H.H.P.A. as a site improvement. We believe it will be. There are certain financial advantages to the City in that way. A public open space of this kind may be approved as proposed.

Councillor IANNELLA. How large is that Plaza in front of City Hall? Do you know the measurements?

Mr. LOGUE. About seven and a half acres, Mr. Riemer suggests.

Councillor IANNELLA. Open space?

Mr. LOGUE. Yes, sir.



Chairman McDONOUGH. What is the total cost of planning in the Government Center area?

Councillor FOLEY. Mr. Chairman, could I interrupt?

The Chairman asked a question and I would like to have it cleared up. We had an economic consultant in and the Government Center, we had an architectural consultant in the Government Center, Adams, Howard & Greeley, and Pei. There might have been engineering consultants in the Center.

How did the responsibility divide itself? What was Adams, Howard & Greeley responsible for? Were they responsible for taking the work of other consultants and putting it together? How did the breakdown come about? I suppose it would be a letter of reference, something like that. How about the breakdown as to what each consultant was supposed to do, the work he was supposed to do?

Mr. LOGUE. Adams, Howard & Greeley planned proportions --

Councillor FOLEY. That is not what I mean. We had a real estate fellow, Bill Bellard, who was the real estate consultant, and his responsibility seemed to be how you rent the private stuff in the Center; at least, that was my flash understanding. You had architectural consultants,



who at the same time decreed the buildings should have a certain scale and shape. Then Pei came along.

I don't understand where the lines of responsibility divide. Is Pei responsible for -- you tell me what the lines of responsibility are. I thought the Chairman was getting at it. What are these people responsible for? What was Adams, Howard & Greeley responsible for? What was Ballard responsible for? What was the architectural group responsible for?

Where did the lines blend in one with another?

Mr. LOGUE. Adams, Howard & Greeley, Mr. Foley, were responsible for preparing an urban renewal proposal for the Government Center at a time when it would not have been eligible because of non-residential restrictions as a Federally-aided renewal project. They had, in that team it was a three-part team, Ballard & Company were the real estate consultants; Adams, Howard & Greeley were the planning consultants; and Delieuw were the traffic engineering consultants, and also made some of the cost estimates that went into it.

That plan provided, I don't want to go into it in detail, that plan provided a viaduct --

Councillor FOLEY. I think the plan did not go up to the West End?



Mr. LOGUE. That is right.

Councillor FOLEY. It did not go to the Artery but next to the Artery. Where is the breakdown? We had architectural consultants, too?

Mr. LOGUE. Their work was done and finished, and then quite some considerable time passed. Then it was approved, the Council approved the survey and planning application, the Federal Government approved the survey and planning application, and by that time with the new boundary to Staniford Street, and up to the West End. Then the Authority in January, 1961, hired on my recommendation the firm of I. M. Pei Associates. Their function as planners was to prepare an urban renewal plan with the advice of a real estate consultant --

Councillor FOLEY. Who was that?

Mr. LOGUE. Real Estate Research Corporation of Chicago, and elsewhere, and the traffic consultant of Barton-Aschman, whose representatives are here today, and Pei's obligation was to draw upon the knowledge and recommendations of traffic consultants and real estate consultants and to give us a report which was feasible and desirable, not only from a planning point of view but from a traffic and feasibility point of view.

Chairman McDONOUGH. Why was it felt necessary to switch from Adams, Howard & Greeley and Ballard and Delieuw



to I. M. Pei?

Mr. LOGUE. It was my feeling I. M. Pei Associates had more urban renewal experience and that a fresh approach was desirable.

Chairman McDONOUGH. How much of an investment did we have in Adams, Howard & Greeley and Ballard and Delieuw?

Mr. LOGUE. I don't remember that.

Chairman McDONOUGH. Could we get a figure of how much we expended for planning by the original --

Mr. LOGUE. Yes, we can.

Chairman McDONOUGH. (Continuing) -- unit team?

In addition, what moneys might have been paid to Adams, Howard & Greeley, Ballard and I. M. Pei? Did we expend any other money in planning or planning consultants?

Councillor FOLEY. Didn't you have architectural consultants on the thing, on the scale of the buildings?

Mr. LOGUE. The Authority, -- I will step back a bit, if I may. The Boston City Planning Board had a Design Advisory Committee which consisted of Jose Sert, Mr. Belluschi, Howard Belluschi, the late Henry Shepley, Nelson Aldrich, and Hugh Stubbins, who met as a Design Advisory Committee to talk with architects and the various agencies, the Federal, State, and City agencies representatives designing these buildings.



Councillor FOLEY. I tell you what bothers me. I thought there was an architectural consultant somewhere, and out at Whitney Street there is what I think a valid, reasonably valid question about the project, concerning placing a 24-story building alongside the Mission Church, and I think if you were to move Mr. Furlong's building on rollers and moved it alongside the Mission Church, you would get a rather striking effect, I imagine, but no more than that, it seems to me, arises here, putting a 30-story building alongside the Old State House, which Mr. Cobb described as the most historic monument in Boston.

I had the impression that there was an elaborate consultation about the scale of buildings around Faneuil Hall, and it was decided to scale the buildings so as not to suppress or dominate or whatever. Peter Hines is our expert on esthetics, and I defer to him on any, he is our voluntary expert, and I would accept his word, any word he cares to use. But it does seem to me there was a consultation on that question, and it does seem to me this proposal to suddenly have a 30-story office building strung up alongside -- I can't see that poor little old State House. I was wondering whether your consultants had gone into that.

Mr. LOGUE. Councillor Foley, we submitted for the record, I believe at the end of the hearing a week ago Friday, a statement by Mr. Anderson on behalf of the Design



Advisory Committee, which discussed this problem. I can quote from it if you wish. I believe Mr. Pei is going to be here in a few minutes, and I think he would make a more eloquent witness on esthetics than I would be, however. I would like to defer that until he arrives, if I may.

Councillor FOLEY. I am left speechless by your modesty, Mr. Logue. Your personality seems positively deranged from what I have known it before.

Mr. LOGUE. I hope you find the change agreeable.

Chairman McDONOUGH. How much has been expended for consultants of any type in the project from the beginning to the present, engineering, architectural, traffic?

Mr. LOGUE. When you consider, excluding appraisers, engineers, design and site improvements, some several hundred thousand dollars. I can put it together for you.

Chairman McDONOUGH. What type of consultants? Will you list the type of consultants used?

Mr. LOGUE. The original consultant was the combination previously described, and this plan now before you, it was done, I suspect, in a major way, it is the Adams, Howard & Greeley plan, and following, Pei, Barton-Aschman, and there then a second re-use appraisal by Larry Smith & Company.



There were a series of acquisition appraisals, two appraisals for every property, and where the Real Estate Department of the Authority thought it feasible or the Federal people did, a third appraisal was undertaken in a few cases.

There was an engineering contract entered into by the Boston Public Works Department. There were survey contracts and title search contracts.

Councillor PIEMONTE. Who had the title search contracts?

Mr. LOGUE. Mr. Kolodny and Mr. Paul Counihan.

Councillor PIEMONTE. You didn't think of giving it to the Boston Bar Association or the underprivileged attorneys coming in? It would save the taxpayers money.

Mr. LOGUE. That has not been considered, sir.

Councillor PIEMONTE. I suggest that you consider it and save the taxpayers money and at the same time helping your profession avail itself of the benefits to people who dedicated themselves.

What was the contract for the title search of this particular property?

Mr. LOGUE. It was on a per parcel basis.

Councillor PIEMONTE. What was the cost per parcel? I would like the record to show what happened.

Mr. LOGUE. We will have that in a moment.



Councillor PIEMONTE. What is it?

Mr. LOGUE. About \$200 per appraisal.

Councillor PIEMONTE. What was the total cost of the title examination in the Government Center Project?

Mr. LOGUE. We are obtaining that information. We will have it in a moment, sir.

Councillor PIEMONTE. You are aware the appraisals are farmed out?

Mr. LOGUE. Sometimes that is done. I am not a member of the Bar of the Commonwealth, this Commonwealth.

Councillor FOLEY. Where are you registered to practice?

Mr. LOGUE. I am a member of the Bar of the Commonwealth of Pennsylvania and the State of Connecticut, and I have no plans to practice in Massachusetts.

Councillor FOLEY. We haven't the slightest fear of it.

Mr. LOGUE. I am sure you don't, and it would be utterly unwarranted.

Councillor FOLEY. We can agree on that.

Councillor PIEMONTE. Did you or anyone in the Authority check to see whether or not titles were being farmed out for less than \$200 where you could have saved both the City and State and Federal taxpayers money on it?

Mr. LOGUE. I think there is supervision and



final professional responsibility for which compensation is proper.

Councillor PIEMONTE. I asked a question. Do you care to answer the question? Did you or anyone with the Authority --

Mr. LOGUE. No. I consider these fees are reasonable and we were not trying to cut them, we were not trying to get cutrate work from members of the Bar.

Councillor PIEMONTE. How did you determine the fee, Mr. Logue? Did you look at the schedule of the Bar Association?

Mr. LOGUE. I accepted the recommendation of Mr. John Conley, General Counsel, who has been responsible for coordinating the work of all title attorneys.

Councillor PIEMONTE. Did you give any thought or consideration to the fees or did you just select the firm to do it?

Mr. LOGUE. Do you mean did we select title attorneys on a price competition basis? The answer is, No, we did not, and we would not.

Councillor PIEMONTE. How did you select the firm to which you gave the contract?

Mr. LOGUE. We discussed it with general counsel and perhaps with others, and made the recommendation, and I



might say on the basis of the work that has been done, it seems to have been a sound recommendation.

Councillor PIEMONTE. The question I put to you is, How did you select the firm?

Mr. LOGUE. I think they indicated an interest in doing the work and I talked with them and I found they were qualified. I checked the work they had done before and I recommended them.

Councillor PIEMONTE. Are they the only ones that indicated an interest in doing the work?

Mr. LOGUE. There may have been others.

Councillor PIEMONTE. How did they indicate an interest in doing the work, orally or in writing, and to whom?

Mr. LOGUE. This was two years ago and I am not sure I can remember without refreshing my recollection.

Chairman McDONOUGH. Do you have the figures on the total planning costs?

Mr. LOGUE. We are getting them, Councillor.

Councillor FOLEY. Mr. Logue, I am curious about this building over here at the farthest reach of the project. I understand that is the Mental Health Center?

Mr. LOGUE. A part of the complex is the Mental Health Facility, yes, sir.



Councillor FOLEY. What is the rest of it?

Mr. LOGUE. This is the headquarters of the Division of Employment Security here. This structure, this tower, this structure here is the headquarters of the Education Department, the Health Department, and the Welfare Department.

Councillor FOLEY. Of the State Government?

Mr. LOGUE. Of the State Government, yes, sir. I have here --

Councillor FOLEY. I understand there is some question about the State going ahead on that. Somebody told me the other day that. What is the status of it, has the money been appropriated?

Mr. LOGUE. Yes, sir. \$34 million has been authorized by the General Court, and the Authority and the State Government Center Commission have entered into a disposition contract and the Redevelopment Authority has approved these plans -- they are the preliminary plans some time ago -- and the final contract drawings are now in the process of preparation, and I believe will be completed before the end of the year.

Councillor FOLEY. How much space does the parcel consist of, not the grounds and the foundation of the buildings, but the tract?

Mr. LOGUE. 369,503 square feet.



Councillor FOLEY. Nine acres, something like that?

Mr. LOGUE. Eight.

Councillor FOLEY. Eight acres?

Mr. LOGUE. Yes, sir.

Councillor FOLEY. What is the density of the land use to be there?

Mr. LOGUE. About two to one. Mr. Riemer tells me about 800,000 square feet of space.

Councillor FOLEY. That is, FAR has only two, two to one floor area ratio?

Mr. LOGUE. Yes, sir. That is considering the open spaces.

Councillor FOLEY. I understand that. What about the Federal Building and the proposed CCF Tower? What would the density be there?

Mr. LOGUE. The CCF Tower, as it has been described elsewhere by others, about 20.

Councillor FOLEY. This is what puzzles me. What about the Federal Building, what is the floor area ratio there?

Mr. LOGUE. It would be the same.

Councillor FOLEY. Mr. Riemer, you don't have to carry out to the tenth decimal. I know he has only a passing interest in the project.



Mr. RIEMER. FAR, five.

Councillor FOLEY. The Federal Building runs five, and the other runs about twenty, something like that?

Mr. RIEMER. It is a different kind of use here. If you take just the tower part of the Federal Office Building, and do not include the five-story building, which is a different kind of space and use, it would be very considerably higher.

Councillor FOLEY. It seems to me the City Hall, as I understood it a long time ago, and perhaps it has changed, it seems to me the City Hall and Faneuil Hall -- Faneuil Hall is a low building, as we all know, and the City Hall is supposed to be a low building, so as not to dominate Faneuil Hall. As you move away from that point, you could increase the density.

This is at the farthest reach of the project, and you have a very slight density. I don't understand why you should take nine acres out of the farthest reach of the project, way away from Faneuil Hall, and use that so thinly. I don't understand why the building has to be as sprawling as it is.

Mr. LOGUE. The density is likely to be greatest at the State Street area.

Councillor FOLEY. Why?



Mr. LOGUE. Because it is the area of the most intense land use in Boston.

Councillor FOLEY. The floor area ratio 2 is a very light density for any part of Boston. It seems to me that building is a terribly sprawling building and it takes up an awful lot of space for what is there. Why, you say it is the Division of Education, Division of Employment Security and Mental Health; is that right?

Mr. LOGUE. That is correct.

Councillor FOLEY. Surely the Division of Economic Security, their space needs wouldn't physically be large, much different from the State and Federal Building, and the Education Building, I take it, it would be the central office building for the State Department of Education, and surely that is office space like any other office space, and as far as the Mental Health goes, I see an awful lot of real tall hospitals around, and I imagine this is not significantly different.

That building, to be quite frank, looks to me like an attempt to fill up a big hole. I just don't understand why the density there should be so low. It seems to me you could easily with 800,000 square feet -- they need 800,000 square feet? How many square feet in the Federal Building or the State Office Building?

Mr. LOGUE. A million square feet in the Federal.



Councillor FOLEY. How much office space does the Federal Office Building occupy?

Mr. LOGUE. 200,000.

Councillor FOLEY. In other words, a million square feet on 200,000 feet of land, and here you have 800,000 square feet on 630, roughly, double the space.

I just don't see why that piece of land has to be used as lavishly as that in a project that is expensive, where the end product of land available for use, which is certainly one of the principal end products of the whole renewal process, it seems to me that is a very light use of land which comes to us after such an expensive process.

Mr. LOGUE. Well, I think financially, Councillor Foley, the financing proposal is one which has been carefully put together to give Boston the most for its money, and the City cost, actually the direct cost would only be the garage, which will through fees pay for itself, but I think, you take Staniford Street, which is fixed, and Merrimack Street, which is fixed, and then you take Bowdoin Street here and you take this entrance from under the Artery, and the natural thing to do is to swing it in this way, if you are going to have two approaches, and you recall the viaduct approach --

Councillor FOLEY. Look, we are talking about two different things, Mr. Logue. The fact that the City



gets credit, non-cash credits, non-cash schools, and this and that, that is not what I have in mind at all.

The City may be able to get out of this cheaply but it is somebody else's money and I have a sneaking suspicion to us who are citizens of the United States, hopefully citizens of the United States, Massachusetts and Boston, I think perhaps we ought to look at it once in a while from that angle, and it seems to me, and I have said this in that report to which you paid such scant heed; it seems to me that there is a basic conflict here between the planners and the real interest of City government, and it strikes me I have the most distinct feeling that that nine acres is being plugged up with a building deliberately designed to sprawl all over the place and not leave a hole -- let me finish.

I think that those nine acres should be left vacant, those nine acres should be left vacant or one more tower should be built and save about four or five acres and I think that should go into some sort of reserve. The value of property, I suppose the interest of investors will decline as you get away from downtown, but that may not be the case forever, and certainly we are trying to do something in the North Station area.

It strikes me five or ten years from now there may be somebody around who would use that or a part of that



nine acres.

But to go over there and find this building that looks like, in my mind, a piece of mine on the deck of a battleship, I have the strongest feeling those nine acres are being filled up with any government building that somebody can think of to put up there, but exactly the same footage could be provided by using much less space, as in the Federal Building and the State Office Building. It would seem to me it would do no damage since it is remote from the historic area.

Mr. LOGUE. If I may respectfully disagree, Councillor Foley. There were three architects, three assignments of architects each planning a division, the Division of Employment Security commission awarded to one firm; the HEW Building to another, and the Mental Health facility to another, and they all worked away, and they were commissions not to work together; whereas originally they had thought of buildings separated by a 10-foot space in what I believe express a demonstration of architectural harmony and accord; the buildings should have a unity and harmony that would require very close and intimate cooperation among them, and they produced that, and I think they feel they should like to have more, not less land.



Chairman McDONOUGH. Could I ask a question somewhat on that raised by Councillor Foley's?

What percentage of land area in the project is being devoted to government use?

Mr. LOGUE. If you include public ways and spaces, 65 per cent.

Chairman McDONOUGH. The usable area excluding public ways?

Mr. RIEHER. About 67 per cent.

Chairman McDONOUGH. About two-thirds of the land cleared is going into governmental use?

Mr. LOGUE. That is correct.

Councillor HINES. Mr. Logue, would you indicate for me, please, what structure is proposed as a large motel?

Mr. LOGUE. Right here.

Councillor HINES. The square one or the circular one?

Mr. LOGUE. This Parcel 7.

Councillor IANNELLA. Is that committed?

Mr. LOGUE. No, sir. We have had quite a number of informal expressions of interest and we would hope to have a public offering of the land.

Councillor HINES. I was not aware I yielded to Councillor Iannella.

Councillor IANNELLA. Excuse me.



Councillor HINES. The place is not under negotiation at the moment?

Mr. LOGUE. The motel site?

Councillor HINES. Yes.

Mr. LOGUE. It is not. We have had expressions of interest and informed them orally or in writing when the Authority felt the time was appropriate we would be in touch with them again.

Councillor HINES. The criticism has come to me, Mr. Logue, that, of course, we have here in Boston a very substantial hotel industry which at the moment is suffering difficulties. We have one very substantial hotel which is in tax difficulties, and another large and very famous one which is at the moment in default on its mortgage, if my sources of information are correct.

We have the Hotel Corporation of America putting up another gigantic hotel in the Back Bay, in the Prudential Center, and the question comes, Is this really a practical and useful enterprise at this particular time?

Mr. LOGUE. I should like to say, sir, that it is, and that what is happening to the hotel-motel industry in the City of Boston is that there has been a growth of suburban motels servicing outside areas, and there have been downtown hotels built in substantial numbers in



certain given cities which are now getting much of the convention business which used to come to Boston.

Councillor IANNELLA. In conjunction with Councillor Hines' question, which I think is a good one, who made the determination that a motel should be in the Government Center?

Mr. LOGUE. Mr. Pei's firm.

Councillor IANNELLA. On the basis of Mr. Pei's decision, you have accepted it?

Mr. LOGUE. After careful consideration, yes; yes, sir.

Councillor IANNELLA. Did you consult at all with the Greater Boston Chamber of Commerce to determine how much hotel space we have in the City of Boston, what the capacity is, and whether the current hotel capacity is sufficient to take care of our needs? I think that is what Councillor Hines is getting at, and I think it is a good one. I have heard some criticism myself.

Councillor HINES. Before you answer that, could I compound on that one further point?

You say you are not committed, you only have expressions of interest in this matter. Is it not possible that another use might be found for this space?

Are you unalterably committed if we approve this plan in whole or including this part here, are we



unalterably committed to a motel?

Mr. LOGUE. No, sir. The plan provides for an alternate use as office space, and we have tried, as office space for private use, and it seems to be further away than it should be from the State Street area.

Councillor HINES. I want to make one suggestion, Mr. Logue, to put it in the record. I think in view of this hotel situation in Boston, one in tax arrearage and one in mortgage default, that the time might come when you as Director could well consider restudying this particular use. I, for one, am most -- we have done nothing whatever along the lines of the New York Lincoln Art Center. I realize it has nothing to do with this, the whole policy towards this is kind of fixed and was before you came. I think something of the performing arts, of the type that Mr. Moses is building in New York, could stand some consideration.

There is no crying need for a big hotel-motel in this location.

Mr. LOGUE. Councillor Hines, if I may suggest this, part of the problem of the hotels, I think there are three reasons for the problem affecting the hotel industry in Boston today. One is the construction of major intown hotels in other large cities, which has taken away some of



the convention business this city used to get.

Second, the difficulties in assembling parcels of suitable areas in the central part of the city led to a dispersion of transient facilities in the periphery of the city and, indeed, outside on 128 and elsewhere.

Third, I think that some of these hotels are, and I am sure without identifying any of them, I think some are somewhat inadequate by present standards. I think that some of these hotels are, and I am sure without identifying any of them, I think some are somewhat inadequate by present standards. I think you will find, if I may venture to make a prediction, and this has been tried in a few places, that with the very substantial increase in the number of elderly people, you will find that the older hotels are converting into apartment hotels for the elderly under a very special and attractive FHA mortgage insurance program, which permits them to meet all the code requirements, and so on, providing what I consider to be a very attractive source of that type of housing for elderly people, attractive because it permits easy access to community facilities, because the hotels have been built by and large in the more lively parts of the city, and I think most of them, and certainly by no means all, for housing for the elderly could be so located as to place



people in the maximum contact with the rest of the city.

Councillor PIEMONTE. I would like to get back to the questions asked and answered. One of the Councillors questioned you about any possible revenue from the public buildings being built along Chardon Street, and your answer was, as I recall it, that is the only parcel in Boston of public buildings we are getting taxes on.

Mr. LOGUE. No, sir, I don't say that.

Councillor IANNELLA. You said we get revenue from that.

Mr. LOGUE. The enabling legislation for the State Government Center Commission, here and here, provided that the State, the Commonwealth, would pay the City in perpetuity an amount each year equivalent to the average of the last three years the properties were on the tax list.

Councillor PIEMONTE. I wanted to get it in my mind. I do know on the new footage on Commercial Street, that is only a lease arrangement and we will get taxes. I wanted that clear.

I would like to ask a question of the gentleman who evidently is your engineer. You have been questioned on the extension of the MTA under the new City Hall, Mr. Riemer. Did I understand you to say that there is a



possibility that part of the MTA might go under the City Hall?

Mr. RIEMER. Yes, sir, that is correct.

Councillor PIEMONTE. Is that a possibility or is it so?

Mr. RIEMER. It is so.

Councillor PIEMONTE. Now, if that is so, I assume that is going to go under the structure and not over the structure?

Mr. RIEMER. Yes, sir.

Councillor PIEMONTE. Have the lines been definitely set as yet?

Mr. RIEMER. Yes, they have.

Councillor PIEMONTE. When were they set?

Mr. RIEMER. There has been extremely close coordination, Councillor Piemonte, between the architects and the engineers at City Hall, and the engineers for the MTA. I think this was worked out thoroughly before the MTA engineers completed their final drawings, which was in November, 1962.

Councillor PIEMONTE. I gathered this was a change being made in the last two or three months?

Mr. RIEMER. No, sir.

Councillor PIEMONTE. That is not so?



Mr. RIEMER. No, sir. At least in November, 1962. It may have been some time before that the final alignment had been worked out with this relationship in mind.

Chairman McDONOUGH. If I could interrupt, it is becoming increasingly clear a great number of questions are going to be directed to Mr. Riemer and Mr. Logue, general questions having to do with the project. I don't think we will get to everybody tonight. We have representatives of Cabot, Cabot & Forbes, 10 State Street and the Bank, and I think we ought to get to them, and at a subsequent meeting we will go over the questions that have already been raised and probably some new ones with Mr. Logue's staff.

Councillor PIEMONTE. It was my suggestion to get them at the opening of the meeting.

Mr. LOGUE. Mr. Chairman, we have had here in attendance at each of these hearings Mr. Powills of the firm of Barton-Aschman, and we also have with us Mr. Pei, who cut short an appointment in Chicago to be here.

Chairman McDONOUGH. The only thing I can say, it surely is not the intention of this Committee to hold up or in any way delay Mr. Pei from his undoubtedly important business, but we now find ourselves --

Councillor FOLEY. Mr. Chairman, this is the third meeting where we are told about all the inconveniences



these \$88,000 consultants are put to. Surely, their time is important, but my time is important, too.

Are we running this Redevelopment Program for the benefit of the consultants?

I think we ought to do just what you said we were going to do. We invited Mr. Chapman and CC&F, who are here.

Chairman McDONOUGH. But I want to make the point, if we had known these gentlemen were here at the start of the hearing perhaps we could have heard them or made other arrangements for them to be heard. It is now at the end of the afternoon and we want to hear from the people whom we have invited.

Councillor FOLEY. These consultants are well paid, and I understand from reliable information there are jet airplanes that will get you from here to Chicago in a very short time. I read it in a book somewhere.

Councillor PIEMONTE. Mr. Logue, may I suggest to you that it would be much more practical, in fact, to have the consultants stay during the course of the hearing, to have not only the attorneys but the consultants at the hearing in order that they might listen to what is being said by everyone who is testifying, so that at least when I put a question to them, and I certainly want to ask some



questions about this traffic pattern, I would like to have the benefit of hearing from those who care enough to be heard before we direct questions to them, and that goes for planning.

I suggest to you in the interest of serving the City and having them fulfill as good a job as possible, you might consider the advisability of having them stay throughout the hearings, or at least hear all the testimony that is given, so that they might be able to properly answer. It is possible some members of the Committee might be influenced by what they have to say and, certainly, the testimony they give now on any questions put to them now won't be as productive as after they have heard all the evidence.

Mr. LOGUE. I can only say, Councillor Piemonte, it was my understanding at the close of the last meeting, and I think it was you yourself who made the suggestion, and I think the record does not show concurrence, but I remember concurrence, you wanted to hear from the traffic people at this time, and I did not want <sup>to have</sup> Mr. McDonough starting out with a list of questions.

I am sure we will all adjust to your schedule as you may wish.

Councillor PIEMONTE. My suggestion, so that



it might be clear, was that we have a full opportunity to question the consultants, because the same thing bothering us now bothered us at the last meeting. It was suggested that we could hear them, and I suggested it would be better to have them here at future meetings so that we might have a full opportunity to question, but what we did do was, because of the lateness of the hour -- we had set 6:30 for the time of adjournment, and it was obvious it was going beyond that.

Chairman McDONOUGH. I would like to say at this time it is my intention, if I have the support of the Committee, to recess tonight at five o'clock.

Will the representative of Cabot, Cabot & Forbes come up to the table, please, and, Mr. Chapman, will you come up, too, please?

DAVID H. BRADLEY,  
Vice President, Cabot, Cabot & Forbes

RICHARD P. CHAPMAN,  
President, New England Merchants National Bank

HENRY H. MEYER,  
Attorney for New England Merchants National Bank

Chairman McDONOUGH. Will you identify yourselves for the record, please?

Mr. BRADLEY. David H. Bradley, Vice President,



Cabot, Cabot & Forbes.

Mr. CHAPMAN. Richard P. Chapman, President of the New England Merchants National Bank.

Mr. MEYER. Henry H. Meyer, attorney for the Bank.

Councillor IANNELLA. Who is president of Cabot, Cabot & Forbes?

Councillor PIEMONTE. Mr. Chairman.

Councillor IANNELLA. Just answer that, please.

Councillor FOLEY. Where is Blakeley?

Councillor IANNELLA. Who is president?

Mr. BRADLEY. Mr. Blakeley, Gerald W. Blakeley is president of Cabot, Cabot & Forbes.

May I add it is our regret that Mr. Blakeley is not here -- unfortunately, modern communication failed us today, Mr. Foley.

Councillor PIEMONTE. I am sure he can get at future meetings.

Councillor FOLEY. Where is Blakeley?

Mr. BRADLEY. He is on a short vacation cruise.

Councillor PIEMONTE. Mr. Meyer, you represent the Bank?

Mr. MEYER. Yes.

Councillor PIEMONTE. There is an attorney representing your firm?



Mr. BRADLEY. No, there is not.

Councillor PIEMONTE. I saw some other attorney in the room and I thought he might be here representing you.

Mr. Bradley, are you the authorized representative of Cabot, Cabot & Forbes?

Mr. BRADLEY. For this hearing, yes. I am vice president in charge of special projects for Cabot, Cabot & Forbes.

Councillor FOLEY. How did you get authorized if you couldn't talk to Blakeley?

Councillor PIEMONTE. Mr. Bradley, are you in a position to know all the negotiations --

Mr. BRADLEY. I am.

Councillor PIEMONTE. (Continuing) -- in considering the Government Center Project?

Mr. BRADLEY. I am familiar. I am the project manager as far as whatever program we might propose to do for this particular site in question.

Councillor PIEMONTE. My suggestion to you, gentlemen, in view of the fact that the area has been expanded to take in 10 State Street and others equally as important, because a very reputable member of the Bar has made the statement here, which is the reason I am going to read from Page 198:



"We say and we will prove by documentary evidence that there was an understanding here. You know it says, 'no understanding with respect to, or contract for, the disposition of land.' They used 'understanding' different from 'contract.'"

I would like to ask you one or two questions about that at the outset.

Mr. Bradley, are you acquainted with the article in the April 13 issue of the Business Week?

Mr. BRADLEY. Yes, I am.

Councillor PIEMONTE. Is that article accurate?

Mr. BRADLEY. Mr. Blakeley is a nationally known real estate developer, and has for a long time since learned not to attach any factual interpretation to what his statement, whatever statement might be attributed to him by the press.

Councillor FOLEY. I didn't get the answer. Did he say Yes or No? I didn't get that.

Mr. BRADLEY. Without knowing what the article says, I can't answer Yes or No.

Councillor PIEMONTE. I thought you said you were familiar with the article?

Mr. BRADLEY. I am familiar about, there was an article.



Councillor PIEMONTE. But you did not read it?

Mr. BRADLEY. Yes, I have read it but I can't tell you ...

Councillor PIEMONTE. You are familiar with it, you read it, but you don't know whether it is right or wrong?

Mr. BRADLEY. Without refreshing my mind as to what it actually said attributed to Mr. Blakeley, I can't answer Yes or No.

Councillor FOLEY. I am sure Councillor Piemonte would be happy to furnish you with a copy of the article so that you could refresh your memory.

Councillor PIEMONTE. When did you first negotiate with the Merchants National Bank?

Mr. BRADLEY. When we were approached by the Redevelopment Authority as to a potential developer, I believe, some time in the late spring or early summer of 1962.

Councillor PIEMONTE. Mr. Bradley, you have no difficulty in understanding my questions, have you?

Mr. BRADLEY. No.

Councillor PIEMONTE. Could you answer my question, please?

Mr. BRADLEY. I believe our negotiations started



with the Merchants Bank about the same time.

Councillor PIEMONTE. In 1962?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. As part of your negotiations, did you also consider the type of building that was going in there?

Mr. BRADLEY. We undertook a feasibility study to determine what kind of building would be economically feasible for this parcel, the particular parcel.

Councillor PIEMONTE. Did you also at that time take into consideration the economic relations of what your tax would be or payment in lieu of taxes so that you could arrive at a figure?

Mr. BRADLEY. That is right. There are many, many factors that go into an economic feasibility of any project.

Councillor PIEMONTE. Could you tell us, pinpointing dates as nearly as possible, starting with the very earliest date that you opened negotiations with the Merchants Bank up to and including the present time? I would like to know just how much there is to this claim there was an understanding made prior to the Council having approved this project, prior to the Government having approved that taking.



We talk about moral standards. I have long maintained if it is going to start, it will have to start from the top down. So far as I am concerned, there is no double standard and very frankly, I am directing my questions to them, whether or not there was an understanding?

Mr. BRADLEY. There has been no understanding.

Councillor PIEMONTE. Let the record show now so that that is a statement you made, a conclusion. It looks very much from what has happened that there has been an understanding. When you go out and say you have a building half tenanted and you know what your taxes are going to be, or tax payment, or payment in lieu of taxes, it seems to me that is as much of an understanding as you can have. In my circle it is a contract. In my circle, <sup>a</sup> his word is a contract, and I am going to show you this article, and you say what you care to leading up to it, because it quotes your firm.

Mr. BRADLEY. I can't deny it quotes it.

Councillor PIEMONTE. Does it quote your firm accurately?

Mr. BRADLEY. No.

Councillor PIEMONTE. Who does it quote?

Mr. BRADLEY. It quotes from Gerald W. Blakeley,



the building -- in downtown Boston is already half rented.

Councillor PIEMONTE. He isn't here?

Mr. BRADLEY. He isn't here.

Councillor PIEMONTE. You knew the article was the subject of discussion?

Mr. BRADLEY. I am sure that this is editorial license as far as what they are printing, because we can make no claim that it is half rented.

Councillor PIEMONTE. Blakeley would have been the best person to tell us that, whether or not he was quoted accurately?

Mr. BRADLEY. I would say so, yes, sir.

Mr. CHAPMAN. You did not know the article was to be the subject of discussion today.

Councillor PIEMONTE. When did you first learn the Merchants National Bank was to be your major tenant?

Mr. BRADLEY. When we undertook the feasibility studies for a building on this site, and the important part of this is the major tenant of the building. Inasmuch as the present location of the Merchants National Bank was to be affected by this site and by this building, we, naturally enough, thought of them in terms of a major tenant.

Councillor PIEMONTE. When did you first talk to them about it? When did you have an understanding?

Mr. BRADLEY. I can't really tell you.



Councillor PIEMONTE. I asked you earlier if you were acquainted with all the facts in this case, and you said you were. Who would know when you had an understanding?

Mr. BRADLEY. Mr. Councillor, we have no understanding right now with them. We are still, even if we are successful in our application to the Redevelopment Authority for this building, we still have to negotiate leases. We have no understanding with the Bank.

Councillor PIEMONTE. Mr. Bradley, is your firm a reputable firm?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. And you like to think your representatives are. Did you ever talk with, did your representatives tell the State Street Bank & Trust Company, for example, that you knew that would involve the parking lot and a new office building, when we are trying to get them interested in building; if you told them that the new office building in the Government Center was going to have the Merchants National Bank as principal tenant, pointing out No. 10 and No. 30 State Street were going to be razed, your representative was talking through his hat.

Mr. BRADLEY. No. We have indications of interest, we are prepared to submit a plan to the Redevelopment



Authority which can be ...

Councillor PIEMONTE. Look, Mr. Bradley, you know what I am driving at. Have you an understanding? Did you have an understanding? Say so, and if you have not now, put your firm on the record one of these other firms is exaggerating in making statements.

Mr. BRADLEY. I would say this, we do have an understanding with the Bank, but it is certainly nothing that comes close to being a lease, and I will leave it with Mr. Chapman and Mr. Meyer to answer for them.

Councillor PIEMONTE. I am asking you at this time as the chap who is apparently the authorized representative of Cabot, Cabot & Forbes, who said he was familiar with all the special projects.

Mr. BRADLEY. Right.

Councillor PIEMONTE. As to whether or not you have an understanding, and if you want to answer that you don't care to answer at this time, let the record show you don't care to.

Mr. BRADLEY. We have an understanding.

Councillor PIEMONTE. You have an understanding?

Mr. BRADLEY. We have an understanding.

Councillor PIEMONTE. When did you first have an understanding?



Mr. BRADLEY. I can't tell you that right now.

Councillor PIEMONTE. How much of the building were they going to occupy?

Mr. BRADLEY. I don't know as this is pertinent to the subject now.

Councillor PIEMONTE. I will also make my grounds, it is very pertinent, for example, because of the Bank --

Mr. BRADLEY. The Bank's plans are not firmed up to that extent.

Councillor PIEMONTE. It is pertinent because of the fact that I will show that there is a motive, there is a reason, there is a reason for it. We were able to show, for example, this Bank will get special treatment, they won't be subject to the same building ratio as under the Boston Building Code, where the British Industries Building has, which is 11 to 1, -- is that what it is?

Here in this building it would be a ratio of 20 to 1, while the British Industries Building would have to be built in accordance with the Boston Building Code, this would not; that under the Boston Building Code they would have to pay for its parking lot, close to a million dollars for assembling the land, here you would be able to get land that cost the taxpayers \$175 a foot for \$40, and since it is the first private building, I think it is



darned important to bring this thing out.

If there is an understanding, let everybody have the same understanding as far as that goes.

Mr. BRADLEY. I am sure everyone has the same opportunity.

Councillor PIEMONTE. I am not so sure. Let us get back to the question of the understanding. Tell us what the understanding was, when you first had it, -- I will do my best for the one standard for everybody, don't just give lip service.

When was the first time you had an understanding, you really formulated this understanding? Give us the progress.

Mr. BRADLEY. I cannot tell you when we first had an understanding. Our understanding with the tenant is only to the extent that they are willing to become a tenant in a building which we will submit an application for to the Redevelopment Authority to build on this site, and our only interest in developing this site is according to regulations imposed upon us or upon the site by the Redevelopment Authority, and I understand the same regulations and specifications are available to any developer.

Councillor PIEMONTE. Mr. Bradley, I am going to show you this four-page mimeographed sheet which appears



to be on your letterhead. Is that your letterhead?

Mr. BRADLEY. Yes, it is.

Councillor PIEMONTE. What is the date on that?

Mr. BRADLEY. April 2, 1963.

Councillor PIEMONTE. Could you identify it, the text of it?

Mr. BRADLEY. This was a press release, a news release prepared by Cabot, Cabot & Forbes in connection with the submission of the plans to the Redevelopment Authority on that date, the total Government Center Plan to the Redevelopment Authority on that date, and it indicates we intend to submit plans as a prospective developer for this site, the number identifying it as 8, and that describes the general scope of the proposal that we plan to submit to the Redevelopment Authority.

Councillor PIEMONTE. Does the second paragraph of Page 2 read as follows:

"In his announcement, Mr. Blakeley said that one-half of the CC&F Tower is already committed for occupancy. Among the major tenants will be the New England Merchants National Bank which will have public banking facilities on the main floor of the building and will occupy several floors above. As soon



as the New England Merchants National Bank can be relocated into the CC&F Tower, the existing bank building will be demolished."

Does that release contain that statement?

Mr. BRADLEY. Yes, it does.

Councillor PIEMONTE. Is that a general plan or a definite statement?

Mr. BRADLEY. Those are commitments to negotiate. Those are indications of interest. It is not a firm lease.

I would presume any developer who was willing to risk the amount of money that is going to take to build a building of this size would have to go out and secure some indication of interest from prospective tenants in order to determine that this project is economically feasible, and this is all we are doing.

We have enough indications of interest on this between the Bank and ourselves to indicate that we could negotiate leases on 50 per cent of the space. That is all that is intended in that release.

We have no written leases, no executed leases for the space.

Councillor PIEMONTE. I again repeat, in my circle, a word is often stronger than the written word, you don't have to look for the fine print, you give your



word and shake your hand.

Is Hale & Dorr part of the Bank?

Mr. BRADLEY. No, they are not.

Councillor PIEMONTE. The third paragraph on the third page:

"The law firm of Hale & Dorr will also occupy a substantial space in the building."

Mr. BRADLEY. That is right.

Councillor PIEMONTE. You meant it, did you?

Mr. BRADLEY. That is right. We have an offer they would take around 28,000 square feet and we will take 28,000.

Councillor PIEMONTE. I would like to have this included as part of the record of this meeting.

Now, Mr. Bradley, did you talk about a rental figure?

Mr. BRADLEY. No, we have not.

Councillor PIEMONTE. Did you talk about a rental figure to Hale & Dorr?

Mr. BRADLEY. No, we have not.

Councillor PIEMONTE. Do you mean to tell me a firm like Hale & Dorr will commit themselves to a floor without knowing what it is going to cost them?

Mr. BRADLEY. You are answering?

Councillor PIEMONTE. I am asking.



Mr. BRADLEY. They have not been committed for it. We don't know what the cost of the building is and we cannot determine the rental figure until we know.

Councillor PIEMONTE. Let us start all over again. Did you state in the release Hale & Dorr was going to occupy a floor?

Mr. BRADLEY. They have indicated interest in a floor.

Councillor PIEMONTE. In other words, the release did not mean what it said when it said they will occupy a floor. What you meant, they might occupy a floor. Is that what you mean to tell us now?

Mr. BRADLEY. That is right.

Councillor PIEMONTE. Is that customary with Cabot, Cabot & Forbes? Is that their style of doing business? Is that their style of doing business, Mr. Bradley? If it is, I will tell you frankly and very bluntly, I am disappointed. I don't believe it is their style and I will tell you that.

Mr. BRADLEY. I think you are reading inferences into what I am saying.

Councillor PIEMONTE. That is why I would like to have you explain it. I will give you all the leeway. I am reading what the release says and I want you to tell



me whether it means what it said. You are the one who was inferring it does not.

Mr. BRADLEY. I have to answer in this way: It means what it says, that we can count on the Bank and Hale & Dorr and ourselves as prospective tenants. I am emphasizing prospective tenants because we are not in a position to offer a lease and we cannot count on a firm commitment unless it is an executed lease.

Councillor PIEMONTE. How much of the space would the Merchants National Bank occupy?

Mr. BRADLEY. This has not been determined.

Councillor PIEMONTE. What type of structure is it? It seems to me I saw an architect's sketch.

Mr. BRADLEY. We know roughly the scope of what we would propose.

Councillor PIEMONTE. Did you mean a 35-story something tower building or is that <sup>to excite</sup> people about Cabot, Cabot & Forbes?

Mr. BRADLEY. No. We mean that.

Councillor PIEMONTE. You mean it, a 35-story building, so you had architects draw sketches for you?

Mr. BRADLEY. We have done some preliminary work for it.

Councillor PIEMONTE. You have a figure of how much the building is going to cost. Did you dream



up that figure or did you compute it?

Mr. BRADLEY. No. Our feasibility studies indicate a 35-story building should not cost more than \$20 million, which, I guess, is the figure that was indicated in there.

Councillor PIEMONTE. You guessed at the amount of floor area involved, or was that done by calculation?

Mr. BRADLEY. No. We had architectural consultants and worked it out ourselves.

Councillor PIEMONTE. So that, therefore, you really have done the usual job of Cabot, Cabot & Forbes: You have done some promotional work and you have done some necessary engineering and architectural work?

Mr. BRADLEY. We have done some preliminary studies as part of the feasibility study.

Councillor PIEMONTE. And as a result of your feasibility studies, you have stated a figure for your rentals, have you not?

Mr. BRADLEY. No, we have not.

Councillor PIEMONTE. You have not?

Mr. BRADLEY. No.

Councillor PIEMONTE. Are banking institutions taking so much for granted that they can go ahead and commit themselves to occupy this without knowing what the cost would be?



Mr. BRADLEY. They have not committed themselves --

Councillor PIEMONTE. They have not?

Mr. BRADLEY. (Continuing) -- to the rent, no.

Councillor PIEMONTE. They have committed themselves to the occupancy, haven't they?

Mr. BRADLEY. They have committed themselves to negotiate a lease with us. In other words, we can count on them as a major tenant, major prospective tenant.

Councillor PIEMONTE. When you say a major tenant, Mr. Bradley, how do you arrive at major? They occupy one-tenth of the floor area or two-tenths, or one-fifth, or one-ninth?

Mr. BRADLEY. There is no clear distinction on that, they would occupy a number of floors.

Councillor PIEMONTE. There are some architects' plans available, aren't there, on this?

Mr. BRADLEY. No.

Councillor PIEMONTE. No.

Mr. BRADLEY. They are only preliminary sketches.

Councillor PIEMONTE. Are there preliminary sketches available?

Mr. BRADLEY. There are preliminary sketches available for what we would propose to submit to the Redevelopment Authority.

Councillor PIEMONTE. Who was your architect?



Mr. BRADLEY. It is an association of two firms, Edward L. Barnes in New York, and Emery Roth.

Councillor PIEMONTE. Before you got sketches showing the building in architectural plan, doesn't it show the amount to be occupied by the Merchants?

Mr. BRADLEY. No.

Councillor PIEMONTE. Mr. Chapman, let him answer. I think he is capable of answering that question, Mr. Chapman. I don't think you own Cabot, Cabot & Forbes as yet.

Mr. CHAPMAN. I don't expect to.

Councillor PIEMONTE. If you don't know the answer, I can ask Mr. Chapman. You are at liberty to answer, and I would like to have you give us the benefit of your knowledge, if you can, unbiased.

Mr. BRADLEY. There is no set amount.

Councillor PIEMONTE. I beg your pardon?

Mr. BRADLEY. I will have to yield to Mr. Chapman on that because there is no firm commitment on the amount of space.

Councillor PIEMONTE. Mr. Bradley, do you know whether or not you have solicited, your firm has solicited prospective tenants?

Mr. BRADLEY. Yes, we have.

Councillor PIEMONTE. In connection with that,



you put out brochures?

Mr. BRADLEY. No, we have not.

Councillor PIEMONTE. You what?

Mr. BRADLEY. We have not.

Councillor PIEMONTE. What have you put out in connection with it?

Mr. BRADLEY. We have the simplest of floor plans, and that is all.

Councillor PIEMONTE. All right, call it a floor plan. You have put out a floor plan, haven't you?

Mr. BRADLEY. We have a floor plan of a building which we will propose to build on this site.

Councillor PIEMONTE. And it is a floor plan for how many floors?

Mr. BRADLEY. Thirty-five.

Councillor PIEMONTE. What does it show on the first floor, the street floor?

Mr. BRADLEY. Actually, we don't -- if you understand how we lease space, we are offering the first floor for rent, because the Bank is supposed --

Councillor PIEMONTE. If you don't care to answer the question --

Mr. BRADLEY. I can't answer.

Councillor FOLEY. It shows the Bank on the first floor, he said.



Mr. BRADLEY. Except, Mr. Foley, I have no plan for the first floor.

Councillor FOLEY. He said he is not renting the first floor because the Bank has it.

Mr. BRADLEY. That is right, the Bank would occupy the first floor under our proposed plan.

Councillor PIEMONTE. Mr. Chapman disagrees with you.

Councillor FOLEY. You may be in tougher shape than you think. You can't trust these bankers, can you?

Councillor PIEMONTE. You have put out solicitations on this building already?

Mr. BRADLEY. We have contacted prospective tenants as the prospective developer. We have talked to prospective tenants.

Councillor PIEMONTE. Mr. Bradley, in talking to them, you have also had sketches of floor plans for each floor, have you not?

Mr. BRADLEY. Yes. But you understand --

Councillor PIEMONTE. Perhaps I understand a bit more than you think I do, but I would rather at this time just give the Councillors and the others the benefit of my general knowledge and not anything coming in privately. Maybe you solicited my friends and their clients.

The question is, I can ask you and it is admissible



as part of the record without my violating a confidence.

Mr. Bradley, have you solicited, your firm solicited customers, prospective tenants for the various floors in the proposed building?

Mr. BRADLEY. We have talked to prospective tenants and solicited them as such, yes.

Councillor PIEMONTE. And when you solicited them as such, you brought with you or had with you a floor plan, did you not?

Mr. BRADLEY. Right.

Councillor PIEMONTE. And you told them what the rent would be per foot, did you not, and when I say you, I mean the firm?

Mr. BRADLEY. No.

Councillor PIEMONTE. I beg your pardon?

Mr. BRADLEY. We have indicated we would be competitive on the rent but we have not quoted any specific rents.

Councillor PIEMONTE. Haven't you quoted any figures?

Mr. BRADLEY. We have quoted a range of figures.

Councillor PIEMONTE. Yes. The range of figures and the exact figure would, of course, be determined also by the amount of space that they occupied?

Mr. BRADLEY. That is right.



Councillor PIEMONTE. So that if they occupied two floors, it would come within one range, and if they occupied one floor, it would be within one range?

Mr. BRADLEY. That is quite possible. It depends also upon where in the building.

Councillor PIEMONTE. The location in the building.

Councillor FOLEY. Could I interrupt for one question?

Do you plan to take a discount for the view of City Hall, Mr. Bradley?

Mr. BRADLEY. Do we plan what?

Councillor FOLEY. Do you plan to take a discount for the view of City Hall site?

Mr. BRADLEY. No. We will charge the same for it.

Councillor PIEMONTE. To get back again to the street floor, Mr. Bradley, have you solicited any tenant for the street floor other than the Merchants National Bank?

Mr. BRADLEY. No.

Councillor PIEMONTE. Have you solicited a tenant for the second floor other than the Merchants National Bank?

Mr. BRADLEY. No.

Councillor PIEMONTE. Have you solicited a



tenant for the third floor other than the Merchants National Bank?

Mr. BRADLEY. There comes a point very quickly where Mr. Chapman will have to answer.

Councillor PIEMONTE. No. I am going to show by the questions and answers, at least I hope to show, just what this transaction amounted to, whether it was an understanding, or let the record speak for itself.

Did you solicit a tenant for the third floor?

Mr. BRADLEY. No, we have not.

Councillor PIEMONTE. Did you solicit a tenant for the fourth floor?

Mr. BRADLEY. No.

Councillor PIEMONTE. Did you solicit a tenant for the fifth?

Mr. BRADLEY. No.

Councillor PIEMONTE. Did you solicit a tenant for the sixth?

Mr. BRADLEY. No.

Councillor PIEMONTE. For the seventh floor?

Mr. BRADLEY. No.

Councillor PIEMONTE. For the eighth?

Mr. BRADLEY. No.

Councillor PIEMONTE. What floor did you start soliciting tenants for?



Mr. BRADLEY. The tenth floor up.

Councillor PIEMONTE. Why did you not solicit a tenant from the first through the ninth floor?

Mr. BRADLEY. Because the Bank has indicated an interest in occupying a range of space that naturally would be located from the first.

Councillor PIEMONTE. From the street to the tenth floor?

Mr. BRADLEY. Right. So that we could not speak for anything for certain, for anything below the tenth floor.

Councillor PIEMONTE. I don't want you to disclose a figure, but did you or did your firm arrive at a range of rentals with the Merchants National Bank for the first nine floors?

Mr. BRADLEY. No.

Councillor PIEMONTE. Did you give or offer a range, Mr. Bradley?

Mr. BRADLEY. I don't think -- this is a private business transaction.

Councillor PIEMONTE. I am not asking for it.

Mr. BRADLEY. They know the range of rents that we are quoting.

Councillor PIEMONTE. If you want to leave it that way, all right. Can you tell us what the proposed structure



of ownership of this building consists of? Who is going to own this building?

Mr. BRADLEY. Cabot, Cabot & Forbes Company, if our application is favorably acted upon by the Redevelopment Authority.

Councillor PIEMONTE. Cabot, Cabot & Forbes?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Is Cabot, Cabot & Forbes owning it as part of their trust property, or is there a separate trust to be set up for this?

Mr. BRADLEY. The actual entity has not been determined.

Councillor PIEMONTE. Is there some talk that the Merchants National Bank may be part of the corporate setup or trust setup?

Mr. BRADLEY. No.

Councillor PIEMONTE. Or somebody in their behalf? Is it all Cabot, Cabot & Forbes?

Mr. BRADLEY. As far as we know at this point.

Councillor PIEMONTE. Is it or isn't it? I think you can answer that.

Mr. BRADLEY. I would say Yes.

Councillor PIEMONTE. Now, is the price range you are charging Merchants National Bank in rent what you are charging the other tenants?



Mr. BRADLEY. Yes.

Councillor PIEMONTE. Bearing in mind the location?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Bearing in mind the location, you say it is?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. So that you don't have a commitment on prices?

Mr. BRADLEY. No, we don't have.

Councillor PIEMONTE. How did you determine whether it is in line with the others if you don't have a set schedule?

Mr. BRADLEY. They are a range of rents which we feel we have to get for the building in order to make it economically feasible.

Councillor PIEMONTE. How did you figure the range in order to make it economically feasible? What are the factors that come into that?

Mr. BRADLEY. Gosh, there are so many. I will say the major one is the construction cost.

Councillor PIEMONTE. Let us see if we can help you. Is one of the factors the cost of acquisition?

Mr. BRADLEY. The cost of land is a factor.

Councillor PIEMONTE. Did you figure that in



setting the price?

Mr. BRADLEY. In our feasibility studies --

Councillor PIEMONTE. Did you, Mr. Bradley, without any assist from Mr. Chapman? Did you or did you not?

Mr. BRADLEY. We don't know what the rent is going to be.

Councillor PIEMONTE. Do you mean to tell me you don't know?

Mr. BRADLEY. No. We have assumed a value for the land which we think will make our project feasible as well as we have assumed architectural and engineering costs; we have assumed construction cost, legal fees, and so forth. We don't know.

Councillor PIEMONTE. Mr. Bradley, are you in a position to have knowledge of the answers to the questions I am putting?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Now, Mr. Bradley, did you figure the acquisition cost in setting a price range?

Mr. BRADLEY. I can't --

Councillor PIEMONTE. Does the figure of \$40 a foot help you any?

Mr. BRADLEY. We are prepared to be competitive.

Councillor PIEMONTE. Does the figure of \$40 a



foot help you any? Does that ring a familiar sound?

Mr. BRADLEY. \$40 a foot is a figure that has been expressed, which we have recognized as possibly being competitive, but that is all I can say.

Councillor PIEMONTE. So that it has rung a familiar tone, \$40 a foot for the acquisition?

Mr. BRADLEY. Yes, but I don't want you to infer or read any inference in what I am saying that this is what the cost of the land will be.

Councillor PIEMONTE. I am asking you. I am going to try to help you to help us. It does ring a bell. How did you arrive at the figure of \$40 a foot? Where did that come from and where was that figure taken from? I beg your pardon?

Mr. BRADLEY. I don't know.

Councillor PIEMONTE. Well, now, Mr. Bradley, you arrived at a figure and \$40 a foot is a familiar figure. You don't want to leave it that way, you don't know how it was arrived at. Say you don't know or you don't care to say.

Mr. BRADLEY. I honestly don't know. I don't know that even \$40 a foot, and I am not prepared -- Mr. Logue may jump on this as being a good price, and maybe we are not willing to pay that.



Councillor PIEMONTE. He would know, Mr. Bradley, how the \$40 a foot was arrived at?

Mr. BRADLEY. I would suggest you ask Mr. Logue if he has a price in mind.

Councillor PIEMONTE. Right now I am asking you, Mr. Bradley, for the simple reason that there has been a series of allegations made there was an understanding and this would throw some light as to whether there was some understanding.

We also can take public notice of the reputation that your firm has; we know your firm is reputed to be one not taking figures out of thin air. It is a question of the reputation of the firm.

If you overstate, in the minds of a lot of the people, or whether or not there has been some figure of \$40 arrived at by some means, I suggest that is what it amounts to.

Mr. BRADLEY. Well, I have to admit that there has been a figure of \$40 a foot, but I can't tell you, where or how it came into the picture, that this is a reasonable price.

Councillor PIEMONTE. There is no question, Mr. Bradley, as of this date, this is private grounds, the City does not own it, and the Boston Redevelopment Authority



does not own it.

Mr. BRADLEY. There is a question.

Councillor PIEMONTE. There is no question, and there is no question in your mind it is worth more than \$40 a foot now, and with foundation costs, it would be worth closer to \$175 a foot.

Now, the big question is, How can you state \$40 a foot is the price you will pay to acquire a piece of land, which as far as the records are concerned and the Council is concerned and the City is concerned and the Government is concerned, has not up to this time been even under discussion for taking?

Mr. BRADLEY. By the same reason we might set a figure of \$18 a foot for our construction cost.

Councillor PIEMONTE. You know what construction costs are. You know that. That you can get in the open market, but on property I own, you don't know what it is going to cost until you start negotiating.

I suggest, Mr. Bradley, --

Mr. BRADLEY. Mr. Piemonte, --

Councillor PIEMONTE. -- your firm has a very good reputation as real estate promoters. I have not always agreed with their policy --

Mr. BRADLEY. We are interested in submitting a proposal to the Redevelopment Authority for developing this



parcel of land under the terms of the Redevelopment Act as it is now set up.

We have done some feasibility studies on this land, which would indicate we assume certain costs as far as the total project is concerned; to the extent that this is unfeasible, we are not interested in developing it and we will not submit an application, and we would be hoping to continue our work elsewhere.

Councillor FOLEY. I wonder if the rest of us could have a few minutes and Gake can go back to work?

In the noble tradition, Mr. Bradley, of the iron fist in the velvet glove, I understand what the Merchants Bank is doing, and what I would like to know is what you are doing here.

What properties do you own in Boston, Cabot, Cabot & Forbes? Incidentally, where is Mr. Cabot, Cabot 1, Cabot 2, and Mr. Forbes today?

Never mind that.

What other properties do you own and operate in Boston?

Mr. BRADLEY. We were invited on Mr. Piemonte's kind invitation to appear here. Now I am here only as a result of that invitation.

Councillor FOLEY. I am asking you a simple



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question, and let me rephrase it. Back in 1960 and 1961, were Cabot, Cabot & Forbes owners of property, real estate, in the City of Boston?

Mr. BRADLEY. I don't know what we own and I don't think that is pertinent to the question.

Councillor FOLEY. I think it is pertinent to the question, and I think it is very pertinent to the question, and if you will give me a moment or two, --

Mr. BRADLEY. I can't tell you. I don't know.

Councillor FOLEY. What?

Mr. BRADLEY. I don't think we own anything.

Councillor FOLEY. I don't think you own anything, either.

I think in 1961 someone came to you and said, "Look, I am going to give you a site in the Government Center. I am going to give you a site in the Government Center on State Street and Washington Street. I am going to put a subway station under the building for you. I am going to give you a firm tenant in the form of New England Merchants Bank. Would you please come into Boston?"

I can't understand why Tom Diab or Maurice Gordon were not approached. At least they own property in Boston worth -- whatever else people might think about them.

In 1961, you didn't own any property in Boston, Mr. Logue approached you, begged you to come into Boston,



and offered you a site in the Government Center on State Street and Washington Street that has a subway station under it, and the Merchants Bank as a priority tenant.

How did that happen?

Mr. BRADLEY. I can only assume Mr. Logue came to us because we are nationally recognized as a real estate developer and have done a substantial amount of developing in the Boston area, if not in Boston. We have done development work in Philadelphia, Cleveland, and other areas, and he, therefore, came to us as a prospective developer to see if we would be interested.

Councillor FOLEY. Whom did you compete with for this building?

Mr. BRADLEY. I have no idea.

Councillor FOLEY. You have no idea? You understand you did compete with somebody for it?

Mr. BRADLEY. I presume the competition is open to anyone.

Councillor FOLEY. Back in 1961 when you got your foot in the door here, who were you competing with?

Mr. Logue says on Page 3, "I therefore contacted Mr. Gerald W. Blakeley, Jr., president of Cabot, Cabot & Forbes, an established Boston real estate development firm --"

Mr. Logue seems to admit it owned no property in Boston -- "and subsequently other firms, and discussed



with them the feasibility of the Pei proposal."

What other firms were you competing with in 1961?

Mr. BRADLEY. I don't know.

Councillor FOLEY. You did a feasibility study in 1961, some time in 1961?

Mr. BRADLEY. We started it. Feasibility takes quite a while.

Councillor FOLEY. But you did it, with your own force, or did you put it out? Did you do it with your own people or put it out on contract?

Mr. BRADLEY. We did it by ourselves.

Councillor FOLEY. When did it start and when did it end?

Mr. BRADLEY. It started, as I mentioned, in the late spring of 1961, I guess. I can say it is not completed now, it still is going on.

Councillor FOLEY. I can see Mr. Chapman has been wagging his head while you have been testifying.

I am sure it is not completed yet; nevertheless, back in 1961, Mr. Logue sought out Blakeley, and you owned no property in Boston, and offered this proposition.

Mr. BRADLEY. That is right.

Councillor FOLEY. As far as you know, were you kept informed at the time? Were you in on this thing at



the time? Did you know about it?

Mr. BRADLEY. Yes.

Councillor FOLEY. What?

Mr. BRADLEY. Yes.

Councillor FOLEY. You knew about it, you were continuously informed?

Mr. BRADLEY. That is right.

Councillor FOLEY. You operate on 128, do you not? I know you had a sign up on a lot up in Peabody for some time. You developed various industrial parks on 128?

Mr. BRADLEY. That is right.

Councillor FOLEY. It is your operation to finance construction by mortgaging out on leases, is that right, from solid tenants?

Mr. BRADLEY. That is one way of financing a real estate development.

Councillor FOLEY. How much of a building has to be tenanted before you can mortgage out the building? How much of this building would you have to have tenanted?

Mr. BRADLEY. We would hope at least 30 per cent.

Councillor FOLEY. So you are mortgaged out now?

Mr. BRADLEY. Yes.

Councillor FOLEY. I don't imagine --

Mr. BRADLEY. Let me say, we have the potential



interest to secure the financing.

Councillor FOLEY. Somewhere near double, you almost have twice what you need to mortgage it?

Mr. BRADLEY. That is right.

Councillor FOLEY. I don't imagine the New England Merchants can take that mortgage, can they?

Mr. BRADLEY. No.

Councillor FOLEY. I don't exactly know, but there is a sense of the fitness of things and they can't.

What mortgage can you put on the building, a 100 per cent mortgage on it? Is that a secret, too?

Mr. BRADLEY. No, we cannot get a 100 per cent mortgage.

Councillor FOLEY. What can you get?

Mr. BRADLEY. I don't know. We would have to see the financial strength of the tenants.

Councillor FOLEY. There is no better in New England than Mr. Chapman, unless it is Mr. Brace.

Mr. BRADLEY. We cannot finance entirely on credit.

Councillor FOLEY. It is only \$20 million. How much can you mortgage it with a 50 per cent tenancy? I take it the higher the tenancy, the closer you can come to construction cost and the mortgage.

Mr. BRADLEY. That is one way of getting a mortgage.



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Councillor FOLEY. What can you get with a 50 per cent tenancy?

Mr. BRADLEY. I am not in the financing end of it.

Councillor FOLEY. You are not. To be perfectly fair, would you make your own personal position clear, just what is it you do at Cabot, Cabot & Forbes? You are not in the financing end of it and you are not in the construction end.

Mr. BRADLEY. When I say I am not in the financing, I am not employed by a financing institution, and these are the ones -- I really don't know what our commitment is going to be.

Councillor FOLEY. With 50 per cent tenancy, Mr. Bradley, on this type of tenant, the tenants are known, are you really telling me now that you don't know how much of the construction cost you can mortgage out on that basis right as of this moment? You don't know that?

Mr. BRADLEY. I have to talk in terms of ranges. I would assume if we have 50 per cent tenancy, we can probably get a financial commitment that would run 55 to 60 per cent, and it would go up.

Councillor FOLEY. As you get more tenants?

Mr. BRADLEY. As we get more tenants. What the maximum is or the minimum is, I don't know. This is a



range.

Councillor FOLEY. Of course, Councillor Piemonte developed the number of stories that Mr. Chapman is going to occupy -- Mr. Chapman, and I use the term loosely. He indicated the number of stories it is contemplated the Bank would occupy, and I take it those are the prime stories, the first nine floors, --

Mr. Chapman, you must feel terribly frustrated.

Mr. CHAPMAN. I am.

Councillor FOLEY. Surely, the first story is the most valuable story?

Mr. BRADLEY. Yes.

Councillor FOLEY. Let us take the first ten, and 10 to 35 is the ratio of 10 to 35. What is the value, the dollar value of that space?

Mr. BRADLEY. I can't tell you that.

Councillor FOLEY. You are a vice president of Cabot, Cabot & Forbes?

Mr. BRADLEY. That is right.

Councillor FOLEY. Are there several vice presidents, Mr. Bradley?

Mr. BRADLEY. Yes, there are.

Councillor FOLEY. How many?

Mr. BRADLEY. Five.

Councillor FOLEY. I am sorry, Mr. Bradley. I



was presuming by what stage name I should have. Thank you,

Councillor SULLIVAN. Mr. Bradley, I am not sure you are the person to answer this question, yet this is a question I would like to ask you or maybe some other people.

Granted that Cabot, Cabot & Forbes has tested the feasibility of this re-use of Parcel 3 and found it to be feasible to their satisfaction, and granted that the Council might find this re-use is desirable in the City's interest, would it then be possible to have an open competition for the re-use of this plot among other developers? Would you as a developer be tempted to enter the competition at this stage of the game with some other firm that had the obvious head start you people now enjoy, in terms of the working relationship with the Redevelopment Authority staff, in terms of having tested the market and found tenants, and in other ways publicized your willingness to commit yourself to this venture? Can we have a fair competition?

Mr. BRADLEY. Yes, surely.

Councillor SULLIVAN. You, as special projects vice president of Cabot, Cabot & Forbes, would be tempted to go into such competition if some other firm enjoyed the advantage you apparently have?

Mr. BRADLEY. I can hardly answer that question.

Councillor SULLIVAN. I am asking you to try to



answer it, even I recognising perhaps a certain 'vice' in your answer.

Mr. BRADLEY. There are a number of things that might induce us to go into it, a real estate project, and one would be a given tenant. If I did not have a given tenant --

Councillor SULLIVAN. Would it keep you out of it, the fact that some others have a head start?

Mr. BRADLEY. I can't answer that, because --

Councillor SULLIVAN. How much time would it take another developer to get where you are?

Mr. BRADLEY. I beg your pardon?

Councillor SULLIVAN. How much time would it take another developer to acquire, to get into the same position of the relative equality with Cabot, Cabot & Forbes on this re-use?

Mr. BRADLEY. This varies tremendously.

Councillor HANNELLA. How long did it take your firm to get to --

Mr. BRADLEY. To what?

Councillor HANNELLA. To arrive at the point you have already, in conjunction with Councillor Sullivan's line of thought?

Mr. BRADLEY. That does not bear, because we



have been involved since 1961. It does not mean it has taken us that long.

Councillor SULLIVAN. Others can benefit by what you have already done in terms of cutting short their own time. I am trying to find out whether or not it is possible for the BERA to have open competition among other developers for this site.

Mr. BRADLEY. Absolutely.

Councillor SULLIVAN. You say Yes?

Mr. BRADLEY. There is no reason why other developers could not do more than we have up to now --

Councillor SULLIVAN. It is not "could not," but if it is thrown open would other developers be likely to be attracted to it?

Mr. BRADLEY. I don't know.

Councillor PIEMONTE. Mr. Bradley, I am going to show you a photo that came in one of the brochures that came from Cabot, Cabot & Forbes, and ask you whether or not you can identify it as coming from Cabot, Cabot & Forbes, or somebody assumed to place it in that separately to give the impression you put it out?

Mr. BRADLEY. That was part of the press release that you showed me.

Councillor PIEMONTE. That was put out at the same time?



Mr. BRADLEY. Yes.

Councillor PIEMONTE. Does it show a photo?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Of the building?

Mr. BRADLEY. Of the location of the site.

Councillor PIEMONTE. Does it make some reference to the occupancy of the lower floors by the Bank?

Mr. BRADLEY. Yes. I fully understood the Bank would occupy it. Mr. Chapman may disagree.

Councillor PIEMONTE. I offer that as part of the record.

I am going to show you another picture coming from the brochure and ask you whether or not that was part of the promotional work done by Cabot, Cabot & Forbes?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Does that show a picture of a photo of the architect's plan of the building?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Does it contain --

Mr. BRADLEY. A description.

Councillor PIEMONTE. (Continuing) -- a description of the building?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. If you didn't have the Merchants National Bank as the major tenant, you would not



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be interested unless you had some equally acceptable?

Mr. BRADLEY. Right.

Councillor PIEMONTE. Is that right?

Mr. BRADLEY. That is right.

Councillor PIEMONTE. And the Merchants --

Mr. BRADLEY. I would say that a key tenant is the important consideration.

Councillor PIEMONTE. One of the things I am concerned with, what happens to our old-fashioned principles? Some of you people talk about private enterprise on the one hand. You have two institutions. You have the Merchants National Bank, relatively new, and because of circumstances, they are now going to go ahead and try to sell the taxpayers through the Council a bill of goods to enlarge this area to take them in, so that they can enjoy a prime site at a less cost than down at the other end of the street, of State Street Bank & Trust Company, the major tenant there, but they have the go ahead to acquire their parcel by the old-fashioned way, by negotiations, and they have not got such a prime site.

In addition to that, we will give one an advantage that they are going to be allowed to build on a 25 to 1 ratio, when the other is tied to an 11 to 1 ratio.

We are going to pay the maintenance for a



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beautiful plaza for units since, because they are going to build a big plaza and parking space the taxpayers would have to maintain, but the British Industries would have to pay for their own parking space.

This may be a side issue, but it is interesting, when the question came up of an understanding because it is first the private building going in.

So many things happen after the damage is done; you should have taken safeguards.

Councillor FOLEY. About the DES building on nine acres of ground with the floor area of two, save the Sears Crescent, save City Hall when we build a \$20 million new City Hall, save the Houghton-Button Building that is an economic white elephant, but tear down the Merchants and 10 State Street.

I am going home tonight and reread Alice in Wonderland!

Chairman McDONOUGH. Are you anxious to get home tonight, Mr. Chapman?

Mr. CHAPMAN. If it is not too late, I would like very much to be heard.

Councillor PIEMONTE. Mr. Bradley, are you familiar with the traffic pattern there?

Mr. BRADLEY. Familiar with what?

Councillor PIEMONTE. The traffic pattern in the



area.

Mr. BRADLEY. Yes.

Councillor PIEMONTE. I beg your pardon?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Do you know anything about the traffic pattern as it would exist if these buildings were not taken?

Mr. BRADLEY. I know nothing about --- no, I don't.

Councillor PIEMONTE. Do you know the conditions of this building the Merchants National Bank occupies, Mr. Bradley?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. What is the condition?

Mr. BRADLEY. It is in good condition by Boston's standards. It is in good condition.

Councillor PIEMONTE. Is it occupied entirely by the Merchants National Bank?

Mr. BRADLEY. No.

Councillor PIEMONTE. By whom is it occupied?

Mr. BRADLEY. There are some other tenants, and Choate, Hall & Stewart, the law firm, of Boston, and three or four others.

Councillor PIEMONTE. If the Merchants National Bank wanted, they could extend, could very well extend?



Mr. BRADLEY. That is right.

Councillor PIEMONTE. In other parts of the building, couldn't they?

Mr. BRADLEY. I don't know what their commitments are. They are tenants.

Councillor PIEMONTE. They would have to buy up the lease, the same as I would, the same as the British Industries. We are talking now about whether or not it is a specific hardship, or following the line of least resistance to want preferred treatment.

Part of the Merchants National Bank is comparatively new, the part facing the old Dock Square, isn't it?

Mr. BRADLEY. I am sorry?

Councillor PIEMONTE. Part of the Merchants National Bank --

Mr. BRADLEY. Yes.

Councillor PIEMONTE. -- is comparatively new?

Mr. BRADLEY. Right. Yes. A very small part.

Councillor PIEMONTE. I beg your pardon?

Mr. BRADLEY. A very small part.

Councillor PIEMONTE. They updated it not too long ago?

Mr. BRADLEY. I don't know.

Councillor PIEMONTE. You are not familiar with the traffic pattern?



Mr. BRADLEY. Yes. We occupy space nearby.

Councillor PIEMONTE. Of course, you do.

Mr. BRADLEY. I am familiar with the traffic as it is now. I am familiar with the traffic as it is proposed in the plan.

Councillor PIEMONTE. You are a real estate expert, are you not, Mr. Bradley?

Mr. BRADLEY. I am in the real estate business.

Councillor PIEMONTE. You can qualify as an expert, can you not?

You take this very lightly but it is a very serious matter to me, because what is bothering me is that we are not only affecting the people in the buildings in the project area, but those outside, and the next question I would put to you is, if we close, as is suggested by this expanded taking, that street to through traffic, is it going to have any effect on the values of buildings on the other side of State Street, on the other side of the Old State House?

I have in mind, if it helps you, perhaps, I filed the first case in this Commonwealth, and the Courts upheld it, for damages done along that line.

If they close this street to through traffic, is it going to affect the values of property on the other



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side of the Old State House? Are they going to become less desirable for tenants, less valuable for the owners?

Mr. BRADLEY. If they close Washington Street and Devonshire Street?

Councillor PIEMONTE. As it is proposed in this enlarged taking. You are familiar with the plan?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Are you familiar with it?

Mr. BRADLEY. Yes.

Councillor PIEMONTE. Let me see that release. Devonshire Street will be closed to through traffic and will be converted into a pedestrian walk to cover part of it. Buildings on the other side will be less accessible.

It seems to me it is logical and the Courts have upheld it, that the buildings lose value. I am asking you whether or not that is your feeling or whether you have a difference of opinion.

Mr. BRADLEY. I am not sure of your question. I would say the real estate development as proposed would improve the value, better traffic circulation, and new buildings would increase the value of buildings adjacent.

Councillor PIEMONTE. On the other side of State Street? On the other side of the Old State House?

Mr. BRADLEY. Much more valuable.

Councillor PIEMONTE. As conditions now exist,



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you can travel on Devonshire Street until you finally hit down Charlton and all those places. If it is closed to traffic, what happens to these buildings and the value of those buildings?

Mr. BRADLEY. Part of Devonshire Street is not proposed to be closed. It is only the section between State Street and Dock Square where the building would be located.

The improvement in the area and the improved traffic circulation would increase the values on contiguous parcels and nearby parcels.

Councillor PIEMONTE. I am talking about the parcels on the other side of the Old State House. Do you agree, and give us an expression?

Mr. BRADLEY. Yes, it will increase.

Councillor PIEMONTE. You say it would increase the value?

Mr. BRADLEY. Yes.

Chairman McDONOUGH. Mr. Chapman, do you wish to be heard?

Mr. CHAPMAN. Yes, indeed.

I was a little puzzled by what Councillor Piemonte had to say about our new institution, because we have been on State Street since 1831, Councillor, and owned property at 28-30 State Street since 1837. I know



there are older institutions of one kind or another in Boston, but 125 to 126 years still seems to me to be quite a long time.

When we first heard about this, which was roughly two years ago, and we were told the plan provided for taking our building and only if it should be taken for public interest to be served, and you gentlemen are one of the five bodies that has approval of it, and any one can kill it dead as a duck if it thinks it is not in the interest of the City.

When we first heard about it, we were in considerable dilemma because under the National Banking Laws the amount of money we can put into a new building is limited at the present time by reason of our other real estate commitments, to a sum between five and six million dollars.

Now it is even worse than that. We cannot, for example, own a fraction of a building or mortgage a building, or the whole value of the entire building is counted against the National Banking provision, even though we might only own a fraction.

So, in essence, what I am saying, no building could be built in which we had even a partial ownership which cost over five or six million dollars.



Chairman McDONOUGH. Wouldn't a building of that size be adequately available?

Mr. CHAPMAN. No, it would not be, Mr. Chairman. Actually, I don't believe we could build a building of the size of our present building for five or six million dollars. I think that is the simple answer to that question.

We were in a dilemma, we could not afford the kind of building, if our building were taken we needed to have, and, naturally, our relationship had to become a tenant relationship, as we looked around for someone to develop, promote, and build a building.

In my opinion, Cabot, Cabot & Forbes is somewhat higher than has been expressed here. We have dealt with them for years and have a high regard of their ability.

Councillor PLEMONTE. So that the record may be straight, I always had a high opinion, more than some people may have, and it is involved in this statement, and that is why I took the liberty of inviting them.

I don't think they were ever given the -- I think my prediction has held out. I am very much satisfied with the way Mr. Bradley testified, but I am sorry Mr. Blakeley did not come in. I am not in accord with their philosophy, having raped, and I use "raped" advisedly, when they took some of our prime taxpayers and brought them out to Needham and other places, and Norwood, and actually pay



for the cost of being raped by our contribution to the sewer charge. That is why I don't agree, just as I don't agree with some other people who wave the flag, the other civic groups, and leave it to the public officials to take the brunt, such as that of your recent ad, when the Council has tried to protect and safeguard the people who not only live and play in Boston but work in Boston, when you have one of your ads slanted, public relations ad, when you took the figures of Metropolitan Boston instead of the City of Boston police.

Mr. CHAPMAN. I wish you would write --

Councillor FERMONTE. The Council's position has been substantiated in part by the Police Commissioner and only yesterday he has given us 30 additional foot patrolmen.

Mr. CHAPMAN. I wish you would write me a letter so that I could take it up with the professors who wrote the article. I now know the one you refer to.

I think Cabot, Cabot & Forbes agree somewhat with your point. There is one thing they would like to do and have expressed a great interest in doing, is doing something important in the City.

Now, our negotiations, in other words, were initiated with Cabot, Cabot & Forbes about two years ago --

Councillor FOLEY. May I interrupt?



Mr. CHAPMAN. Time does not seem important to me, and I couldn't pinpoint it.

Councillor FOLEY. Are you telling us you selected Cabot, Cabot & Forbes?

Mr. CHAPMAN. The truth of the matter, Councillor Foley, is that I don't know who selected who, I really don't. I don't know whether Mr. Blakeley came in to see me or I went down to see him, but it was perfectly natural.

Councillor FOLEY. Logue says he selected them.

Mr. CHAPMAN. Not for us, of course. I mean, as far as our relationship is concerned. To me, Blakeley is in and out of the Bank several times a month, and who selected who as far as the two of us are concerned, I wouldn't know at this late date, and I don't know that it too much matters.

Our position was one of having to be a tenant in this building, and talking with Cabot, Cabot & Forbes, we set up three criteria we thought should be had. In the first place, we had been in business long, well, we didn't want to rape Boston, but try to do our part to build it up. We felt in building we would get away, should do something important with the City beyond esthetics, and so on, not that esthetics is not important or that traffic is not important.

As far as the sketches are concerned, I think



there were three or four of various size and shape. A tower building is beyond my understanding, but it has to be balanced in size because of elevators and public utilities, and so on. It has to be carefully designed. We have seen at least three, four, or five sketches, and these were all preliminary sketches, and Cabot, Cabot & Forbes were encouraged by us to spend some of their money for a feasibility study, preliminary architectural sketches, and this is something in business, as with them, our money goes down the drain sometimes when something does not work out.

Our counsel informed us all along that this project required the approval of five governmental bodies, and each individual one I think had as much right as the other to veto, any one could kill it dead, not to mention any aggrieved citizen --

Chairman McDONOUGH. You are not telling us anything we don't know. I have a very important engagement. I have a six-year-old having a birthday party and I said I would be there at six o'clock.

Mr. CHAPMAN. It is a darned sight more important than what I am saying. Maybe I can wind up in two or three points.

\$525,000, two and a half times the revenue from the existing structures. This seemed to us to be an adequate



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answer to Councillor Foley's natural wonder, why the devil take a building as good as 28 State.

No. 2, we don't want any private citizens to be aggrieved, and we made a tremendous effort to buy 10 State Street, to take care of our future expansion needs -- and the project fell through, and partly to speed this whole process, and we failed to buy it, but it seems to me clear the owners of that property are going to get a fair price.

Chairman McDONOUGH. Mr. Chapman, let me try to get at the heart of what I think is the heart of this particular subject. Assume the BRA went to the guy next door and said, "Look, you and CC&F get together and see if you can put this deal together whereby you will be all set and we will try to buy the Bank next door, and if they don't go for it, we will take it, anyway, it is in the public interest, anyway, and we will just put them out."

Assume you were in the position of your next door neighbor, do you think you would be content with that deal? I suspect you would be yelling so loud --

Mr. CHAPMAN. I wish you would restate the question, it was so long, Councillor.

Chairman McDONOUGH. Put yourself in the position reversed. Reverse your position with that of your neighbor.

Mr. CHAPMAN. Do you mean Moscow Brothers, precisely?



Chairman McDONOUGH. Right.

Mr. CHAPMAN. That is why we made such a conscientious --

Chairman McDONOUGH. Assuming they came to you and said, "Look, we will give you what we think is a fair price for your building," and you just don't like it, then the Government comes in and says, "It is in the public interest to take your building, because they want to build this tower."

Don't you think you might screech a little?

Mr. CHAPMAN. I think I would screech a little. Whether it would hold or not would be whether the whole project was in the public interest or not.

Chairman McDONOUGH. That is exactly it.

Mr. CHAPMAN. No. 2, --

Chairman McDONOUGH. There is no question, it seems to me this is in the interest of the Merchants Bank, and it is in the interest of CG&F, and it might well be in the public interest, but it is one of those things that will probably be more easily determined a couple of decades from today.

Mr. CHAPMAN. Councillor, it has to be in the public interest to be done. It should not be done if it is not in the public interest.

But I think you exaggerate the interest of



Cabot. Cabot & Thorne said the buildings were - except of high cost, except that it is a large office building which is marginal. I know some people building 35 office story buildings around the country, and if it is that lucrative, they will be doing it all the time.

It is up to you to exercise your own judgment. I believe it is in the public interest, and I hope you will so determine, too.

Councillor PIEMONTE. Mr. Chapman, do you think the Council, which took a real hard look before it decides if it is in the public interest, in view of the fact that little section has been added to the original boundaries --

Mr. CHAPMAN. I did not understand so two years ago. It was in the plan, as I understood it.

Councillor PIEMONTE. You say you have been here a long time?

Mr. CHAPMAN. Yes.

Councillor PIEMONTE. And the records are available, and so on?

Mr. CHAPMAN. I had understood you were taking a hard look at it.

Councillor PIEMONTE. Let me assure you this was not in the plan for the original early acquisition, because, you know I was a neighbor across the street,



and you read the doctor press, and you have seen the pictures of the original plan, and it did not take in the Merchants National Bank.

Mr. CHAPMAN. Do did not?

Councillor PIEMONTE. It did not, the early acquisition plan. You didn't you aware of that, Mr. Chapman?

Mr. CHAPMAN. No.

Councillor PIEMONTE. You were not that interested?

Mr. CHAPMAN. I have no recollection.

Councillor PIEMONTE. And you were not interested?

Mr. CHAPMAN. I have no recollection of any such plans. The first plan I saw included this.

Councillor PIEMONTE. Did you know that the City Council passed the early acquisition under which --

Mr. CHAPMAN. That was not a plan, was it, Councillor?

Councillor PIEMONTE. It was a taking.

Mr. CHAPMAN. It was a taking, but it was not a plan.

Councillor PIEMONTE. And before you have the plan, you have to own the land, isn't it so, and before you can build, normally you have to own the property.

Mr. CHAPMAN. That is right.



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Councillor PIEMONTE. Although it seems you are using very strange procedures, of building on something you don't own, and up to this time the City does not own.

Mr. CHAPMAN. No. I think you are assuming an awful lot. Those people have put forward the project from the beginning, depending upon you people approving it, and others approving it, and their getting the land. The whole thing has been contingent from the start to finish, and it has been understood, and our counsel told us from the beginning this proposal would be put up for competitive bid when, as, and if all these governmental bodies approved that.

Councillor PIEMONTE. I am tempted to yield to my temptation.

You know, when the Prudential first came to Boston, I was a freshman in the Legislature, having served on the Tax Commission, and wrote and pointed out under the existing law it would be unconstitutional for them to go ahead on the basis of the arrangement in lieu of taxes, our constitution forbade it, and they were as bold as you are now.

Mr. CHAPMAN. They were what?

Councillor PIEMONTE. They were as bold as you are now in their approach, and they answered over their



signature, even if it were so, they could go the Legislature and get legislation to change it.

I wrote back and cited cases. I felt it was my obligation as a member of the Council to show them the law, where they could not, and it would not apply.

Do you know what they answered? "We have been assured the newspapers and the civic associations are so emphatic in this that we can."

Councillor SULLIVAN. On this matter of boundaries which has quite properly injected itself throughout the course of our hearings, it was certainly my understanding at the time I voted for early acquisition for the Government Center area, and I wish to say it was the understanding of the Council, the boundaries approved then were not the final plan boundaries.

As I recall at the time, there was a certain sentiment in the Council the project area was described as too big and other Councillors felt it was too small, and even today I think one of the things we are arguing is the very question of where the boundaries shall be sited, and it seems to me some feel it is too big in the State Street area and not big enough on the Tremont Street area.

I think the question of boundaries in my judgment and understanding has always been pending the final plan approval.



Councillor FOLEY. Mr. Chapman, apart from this particular proposition, what has been over the past five or ten years, or say fifteen years, the relationship between the New England Merchants National Bank and Cabot, Cabot & Forbes?

Mr. CHAPMAN. They have been a customer of ours, a good customer with normal banking relationships for a period which would be less than the longest period you suggested, the time I really wouldn't know. We have other customers in the real estate business, you understand.

Councillor FOLEY. I hope you do. I hope you do. So that it would be clear on one point, what I am asking you is a public record, and these documents would be on file in about fifteen different places in the different counties, and I am sure you have to report to any number of regulatory bodies, so that we are not inquiring into matters which are private.

Cabot, Cabot & Forbes places more mortgages through the New England Merchants than other banks, and I am sure Mr. Bradley could be of some help to you there.

Mr. CHAPMAN. I am sure Mr. Meyer can coach me on this, because I don't think I know.

Councillor FOLEY. Why don't ask Mr. Bradley that?

Mr. BRADLEY. We have done more construction --



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you asked the question earlier. We have very few long-term mortgages. We make excellent construction loans, and mostly our loans have been in and out loans for short-term purposes.

Councillor FOLEY. Mr. Bradley, surely they tell you where to get the early money on these developments?

Mr. BRADLEY. Not all, just the ones I am involved in.

Councillor FOLEY. What is your impression as vice president of Cabot, Cabot & Forbes, where you get your construction money?

Mr. BRADLEY. I don't know.

Councillor FOLEY. You don't know that, either?

Mr. BRADLEY. I would say that probably much of our construction money, early mortgages, goes to the Merchants.

Councillor FOLEY. As much as what?

Mr. BRADLEY. As much as anyone else.

Councillor FOLEY. I think we would be fifteen minutes further along if you answered the questions. If the question isn't fair, say so. Otherwise, I would appreciate it if you would answer the questions.

You must know where you get the construction money. You do business primarily with the Merchants National



Bank?

Mr. BRADLEY. I don't know. I am not treasurer and I don't know.

Mr. CHAPMAN. I think I can answer that.

Councillor FOLEY. Quite frankly, I don't believe it. You don't know a lot of other answers to questions I put to you. You don't know. But I can't believe you would be seriously employed by Cabot, Cabot & Forbes and not have some of this information at your fingertips. I hope you are clear on that, Mr. Bradley.

Councillor PIEMONTE. Mr. Chapman, if there is other space available in the project area, what objection would there be to building there?

Mr. CHAPMAN. There would be none if it would be a location -- Councillor, we would be more foolish than I think we are if we did not give that most careful consideration, but, actually, of course, as it has been stated, it is a large project area, but for banking purposes, we want to be on State Street, that has always been our address, in the downtown area, and when we say on State Street, we don't have very much choice.

Councillor PIEMONTE. Not on State Street, but close to State Street, where there are eight or nine acres.

Mr. CHAPMAN. Even a hundred yards makes a difference. It would be a wonderful thing if it were good,



alternative sites.

Councillor FOLEY. A second bank, State Street, is going down Fort Hill.

Chairman McDONOUGH. Mr. Chapman, do you have any further statements?

Mr. CHAPMAN. No. I have a lot more to say, but not to keep you from your six-year-old's birthday.

Councillor PIEMONTE. Mr. Chapman, have you had an opportunity to read the transcripts of the last meeting?

Mr. CHAPMAN. No, I have not.

Councillor PIEMONTE. Mr. Chapman, I suggest that you read it. I, for one, and I am sure the members of the Council want to give you an opportunity to give you as many facts and evidence as you think is necessary, and to make any observations or comments you care to make.

Chairman McDONOUGH. If it is agreeable to you, the Committee will meet tomorrow at two o'clock, and if you want, we can continue this colloquy. If not, we will go on --

Mr. LOGUE. Would it be possible to know whether the planning consultant and the traffic consultant would have an opportunity tomorrow?

Chairman McDONOUGH. Yes. We will plan on



hearing them first.

Mr. LOGUE. Thank you.

Chairman McDONOUGH. Mr. Chapman, you are invited to be back tomorrow, if you would like to be here.

Mr. CHAPMAN. I wouldn't have the time to read the transcript.

Chairman McDONOUGH. The Committee stands in recess until 2:00 P.M. tomorrow.

[Whereupon a recess was taken, to reconvene on Wednesday, July 10, 1963, at 2:00 P.M.]



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